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15 November 1982

# South and East Asia Report

No. 1213



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15 November 1982

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## BRIEFS

ENVOY TO EEC, BELGIUM--Canberra, 18 Oct (AFP)--Australian ambassador to the United Nations in New York for the past 4 years has been appointed Australian ambassador to the European Economic Community and to Belgium and Luxembourg. He is David Anderson, 59, one of Australia's most senior diplomats who served Australia as observer to the Vietnam peace negotiations in Paris between 1968 and 1970, and was Australian ambassador to France from 1973-78. The Australian Government in making the announcement today said that Australia's relations with Belgium were long and warm. The visit to Australia next year by the king and queen of the Belgians would be a landmark of this relationship. [Text] [BK190609 Hong Kong AFP in English 0704 GMT 18 Oct 82]

CHANGE OF PARTY NAME--The junior partner in the federal coalition government, the National Country Party of Australia has changed its name. At the party's Federal Council meeting in Canberra, delegates have voted by 27 to 14 in favor of dropping the word country from the party's name. The party's federal leader, Mr Anthony, says the change to the National Party of Australia comes into force immediately. Mr Anthony says it is only fitting that the federal party has followed the lead of its three main state branches which already call themselves the National Party. He says the party will now be seeking the votes of people in provincial cities who previously identify the party only with the rural community. [Excerpt] [BK190609 Melbourne Overseas Service in English 0830 GMT 16 Oct 82]

WHEAT PRODUCTION FORECAST--Australia's forecast for wheat harvest this year is the lowest for a decade and barley and oats are in the same position. The Bureau of Agricultural Economics says hopes for spring rains have failed to break the drought which is affecting grain growing areas in the southeastern states. The bureau says this year's winter cereal production is likely to be around 11.5 million tons--10 million tons less than last year. [Text] [BK141333 Melbourne Overseas Service in English 0830 GMT 13 Oct 82]

WHEAT EXPORT LEVELS--Australia has been able to maintain record levels of wheat exports despite the drought presently affecting much of the country. The Australian Wheat Board says wheat exports for 1981-82 have been second only to the record shipments of 1979-80. By next month, the board expects to have shipped just under 13 million tons of wheat. A spokesman for the board says a record yield for the first 6 months of the year helped to boost the smaller drought affected crop in the last half of the year. However, the board announced



on 19 October that for the first time since 1957 it would import wheat to ensure supplies of stock feed to drought-affected areas. The board said this would allow Australia to continue servicing markets reliant on its wheat and prevent other countries such as the United States and Canada moving into those markets. [Text] [BK211500 Melbourne Overseas Service in English 0830 GMT 20 Oct 82]

ANTIDUMPING TRADE AGREEMENT--Australia will later this month formally come under the provisions of a revised international code against sending surplus goods to foreign markets for sale at low prices. The antidumping code was negotiated in 1980 under the auspices of the General Agreement on Tariffs and Trade and ~~replaces a 1976 antidumping agreement.~~ The minister for trade and resources, Mr Anthony, says the revised code contains a more precise definition of injury to local industry through dumping practices. [Text] [BK111527 Melbourne Overseas Service in English 0830 GMT 9 Oct 82]

JAPANESE SHARES INVITED--An offer has been made to two of Japan's biggest companies to buy 17-percent share in the big northwest shelf natural gas project off western Australia. Managing Director of Woodside Petroleum (Charles Allen)--his company is the main Australian partner in the joint venture--said on 26 October the offer had been made to the Mitsubishi and Mitsui companies. He said they had been offered 17 percent share in the production, shipping and sale of the natural gas. [BK261625 Melbourne Overseas Service in English 0830 GMT 26 Oct 82]

STREET DEFENDS GOVERNMENT'S FOREIGN POLICY--Minister for Foreign Affairs Street has defended Australia's involvement in the Western Alliance. In a speech to the Institute of International Affairs in Brisbane, Street said that through the alliance, Australia was better informed about the issues affecting world peace. He said the challenge was to strike a balance between a policy of alignment and an active, working relationship with the nonaligned world. Street said nonalignment would make it harder, if not impossible, for Australia to make any effective contribution to the thinking of American policymakers establishing priorities for stability and peace. He said a policy of nonalignment would not save Australia from the consequences of any collapse of the existing international order. [Text] [BK211151 Melbourne Overseas Service in English 1130 GMT 21 Oct 82]

CSO: 4200/53

## FORMER GOVERNOR DISCUSSES 'NEW POLITICAL GAME' IN BALUCHISTAN

Islamabad THE MUSLIM in English 4 Oct 82 p 8

[Article by Azhar Masood]

[Text]

ISLAMABAD, Oct. 3: The former Governor of Baluchistan and the Chief of Bugti Tribe, Nawab Akbar Khan Bugti has said politics and the politicians have become redundant. "A new game is unfolding and the game will have new players and a new playfield", he added. In an interview with 'The Muslim' in Quetta on Sept. 22, Nawab Bugti discussed a number of issues. Some excerpts:

Q: What is the political situation in the country in general and in Baluchistan in particular?

A: There is no political situation because there is no politics. There is a vacuum. Similarly, there is no politics in the province. There are no political trends here. Nobody is interested in anything. People have dissociated themselves from everything. They are looking after their personal matters.

Q: You call it 'dissociation'. This attitude of the people can also be considered as co-operation with the present Government.

A: The administration is at liberty to consider it any way it feels. The administration would like to consider everything in its favour. If it feels happy about it why should we deny this happiness.

Q: What does the Baluch leadership think of the present situation; the situation generally prevailing in the country and in this province?

A: I can't say about others. I can only speak about myself. I have repeatedly said that the politics of Pakistan what you and I and other look at—is that we know something of. The politics which prevailed in the country is finished. The politics which has been going

on in the country for the last 30 years is finished. That is over. The political parties and their so-called leaders are still around—one hears their statements now and then; they are redundant. As I have said a new game, new players and a new playfield is unfolding. When you will see it you'll understand what I mean.

Q: Nawab Sahib, what exactly you mean by new game—new players and new playfield?

A: As the events are rolling, a picture of a new game is clearly emerging. I am not talking of cricket or hockey. The game is of course politics and players, of course, the politicians. The so-called politicians have played their game according to the rules of the old game. They do not know the new game which is unfolding. The new game will be played by new players. New players—people perhaps you do not know—they will come up in the playfield. Had we ever heard about Khomeini or Ben-Sadr or the guy just executed Sadegh Qotbzadeh. Perhaps, a little. They are all new players in Iranian politics. When there is a new game the old players vanish. New game brings its own new players.

Q: How are the people of this province reacting to the latest development? There is apparent peace and calm here.

A: There is no action. So there can't be any reaction. You know the game is over. If you react, you would be reacting to the old game which is no more there. The old political game is over. If you react today you'll be reacting to the old game which is finished.

Q: During mid-seventies many people left the province. They left for Afghanistan. Now the administration says that most of the people



are coming back. What are your views on the subject?

A: Well I can't give you any exact number or figures of those who left this province for Afghanistan. But the number can't be less than 10,000. Many of those who left the province are still out.

Q: How do you view the revolution in Iran? How far the Iranian revolution has affected Baluchistan? Or do you think the Marxist revolution in Afghanistan and Islamic Revolution in Iran can spill out into Baluchistan?

A: The eyes of Baluch are focused on North, I mean Afghanistan. The Iranian Revolution has not affected the Baluchs politically. However, about 17,000 Iranian Baluchs have come to Baluchistan.

Q: If elections on non party basis are held in the country what will be the response of this province?

A: After the elections of 1970 which were held free and fair I said at a Press conference that these were the first free and fair elections in the history of Pakistan and probably the last. So from 1970 to 1982, I have not been disproved so far. And I don't hope to be disproved in the future. If partyless elections are held, they will not be elections but a selection. In selection you are free to do whatever you feel like. This regime cannot hold elections, it will only hold selection with 'predetermined'

results. Selection can do no good to the country or the province. These elections cannot advance the interests of the country.

Q: How far it is true that certain Sardars are in one way or the other been pacified by the government?

A: Yes it is true. This time the element of carrot was perhaps more effective. But this time some Sardars have gone to the government but they could not take their people with them. Those Sardars who are co-operating with the administration they are doing it in their individual capacity.

Q: Nawab Sahib what you think of MRD?

A: Well, MRD is MRD. We can't prevent people hoping against hope. We wish them best.

Q: You mean they are kicking a stone wall?

A: No. If your blow is stronger you can even knock down the stone wall. But as I have said earlier these people are trying to play the old game which is no more there.

Q: Nawab Sahib how far is it true that Ahmad Nawaz Bugti is serving as a bridge between you and the administration?

A: Ahmad Nawaz Bugti is in PNP. If at all he is bridge—he is a bridge between the administration and the PNP and not a bridge between the administration and myself.

BURMA

BRIEFS

CZECHOSLOVAK ENGINEERING MINISTER ARRIVES--A Czechoslovak delegation led by Minister of General Engineering Pavol Bahyl of the Czechoslovak Socialist Republic arrived in Rangoon by air this evening at the invitation of Minister of Industry-II U Maung Cho of the Socialist Republic of the Union of Burma. Minister Pavol Bahyl and his delegation were welcomed at Rangoon Airport by Minister of Industry-II U Maung Cho, Deputy Industry Ministers Dr Mehn Thet San and U Kyaw Za, Deputy Minister of Industry-I U Maung Ohn, Czechoslovak Ambassador to Burma Josef Bozek and embassy staff, the managing director of the Heavy Industries Corporation and responsible officials from the Foreign Ministry. Members of the delegation are: Director General of Foreign Trade (Sadoslav Bukin) of the (Agro Lader) Company, Director General of Foreign Trade (Frenjusev Lanka) of the (Uneford) Company, Secretariat member (Stanislav Husek) of the Ministry of General Engineering and Commerce Director (Stand Hurasak) of the (Motokov) Company. The Czechoslovak delegation will stay in Burma for 6 days. [Text] [BK231409 Rangoon Domestic Service in Burmese 1330 GMT 23 Oct 82]

CSO: 4211/6

## CONGRESS-I OFFICIAL CRITICIZES MANEKA GANDHI

BK100824 Delhi INDIAN EXPRESS in English 28 Sep 82 p 5

[Text] New Delhi, 27 Sep--The AICC-I [All-India Congress Committee--Indira] Treasurer, Mr Sitaram Kesari, on Monday hit out at Mrs. Maneka Gandhi for seeking opposition support, and said that with this she had even "forfeited" her right to the surname--Gandhi.

In a frontal attack on Mrs Maneka Gandhi, the bitterest after she walked out of the prime minister's house this year, Mr Kesari said that since she had aligned with her late husband's sworn enemies like Mr H. N. Bahuguna and Mr L. K. Advani, in all fairness, she should now revert to calling herself "Miss Maneka Anand."

The recent firing incident at Gauriganj in Amethi, in which a Sanjay Vichar Manch worker dies, had brought out both the opposition and Mrs. Maneka Gandhi in their "true colours." "It is not the Sanjay Vichar Manch but a Maneka-Akbar Manch," Mr Kesari said.

According to Mr Kesari, Mrs Maneka Gandhi is "so well exposed" that she behaved like a doll in whose mouth all shades of opposition leaders put things as they liked. She had not yet learnt how to talk to decent people.

At a specially called press conference, in which Mr Kesari was present, the AICC (I) general secretary, Mr G. K. Moopanar, said that Mrs Maneka Gandhi was surrounded by the very forces who wanted to crush Sanjay Gandhi when he was alive.

Mr Moopanar, who read out a carefully worded statement, condemned the way Mrs Maneka Gandhi was "abusing" Sanjay Gandhi's memory to further her own political interests. When did Mr Raj Narain, Mr Bahuguna, Mr Advani and Mr Korpooori Thakur become adherents to the five point programme of Sanjay, he asked. The RSS [Rastriya Sayamsevak Sangh] leader, Mr Angre, and the BJP [Bharatiya Janata Party] leader, Mrs Vijaya Raje Scindia, were now posing as dedicated followers of Sanjay Gandhi.

He said the very idea of forming the Sanjay Manch was to destroy the "good-will and respect" that Sanjay enjoyed. The first act of the manch was to help Mr Raj Narain win the Rajya Sabha election, but they failed in this too, he said.

He said that although he had not commented on the firing incident so far, he was forced to do so now because it was already being given a political colour to malign the Congress (I). Mr Moopanar said Mrs Maneka Gandhi, who had met her workers in jail, did not visit the bereaved family of the dead man. According to him, this showed her true intentions.

9459

CSO: 4600/1165

## ERSHAD VISIT YIELDS POSITIVE RESULTS

BK161528 Delhi INDIAN EXPRESS in English 9 Oct 82 p 7

[Editorial: "Statesmanlike Accord"]

[Text] Gen Ershad's visit to Delhi has produced a major and statesmanlike accord for which both sides need to be congratulated. Important as are the individual agreements reached under different heads, transcending them is a wider political understanding which suggests the determination of the two countries to live and work together as good neighbours and to evolve a framework of cooperation. Without such a frame the other accomplishments might never have come about or must remain fragile. There is a wall of mistrust and misunderstanding that has divided India and Bangladesh over the past several years. This is hopefully in the process of being demolished.

India's inability to live up to the 1974 boundary agreement and transfer in perpetual lease to Bangladesh a mere dot of territory, Tin Bigha, had created avoidable bitterness and suspicion. The transfer agreement signed on Thursday amicably resolves this issue and paves the way for implementation of other outstanding boundary issues. Local opposition to the transfer of Tin Bigha had been blown up by certain political elements to extraordinary proportions. The agitation is based on a total misunderstanding since the perpetual lease to Bangladesh of this tiny area of a few hundred square metres will not deny access to local Indian residents. Indeed, a small subway or an overbridge might provide an additional and convenient link. Opposition to the transfer now would be totally unwarranted as there is really nothing that should divide the local residents of the two countries. The establishment of a joint commission at ministerial level should give a boost to trade, transit and other commercial relations while discussions on New Moore Island and the maritime boundary are to be pursued.

The understanding reached on the river water question appears to constitute something of a breakthrough. The 1977 accord on the sharing of the lean flows of the Ganga from January to May has been extended for 18 months, through the dry seasons of 1983 and 1984, with marginal variations in the time distribution of the available flows. Meanwhile, both sides are committed to considering the long-term proposals for augmentation which they had put forward earlier but which were stalemated with neither side being willing to consider the other's proposal. It is now agreed that the Joint

Rivers Commission [JRC] will undertake and complete within 18 months technical and "prefeasibility" studies of both packages. India has proposed monsoon storages on the Brahmaputra (and Meghna) and a transfer of some of the surplus to the Ganga through a link canal. Bangladesh in turn favours storages of the Ganga system in the Nepal Himalaya. Whereas previously India was chary of associating Nepal, since it feared additional complications in a tripartite exercise, the JRC now has a mandate to look at the concept of storages in Nepal bilaterally in techno-economic terms, it being implicitly assumed that Nepal might be consulted at a later stage. This is a rational and practical approach and provides a means of processing the two proposals expeditiously. Joint examination might soon reveal the larger truth that Nepal storages and Brahmaputra storages with a link canal are not really alternatives but complementary, since both countries need both--and more.

A political understanding is of the essence and this is what Gen Ershad and Mrs Gandhi have happily achieved. West Bengal need have no fear that its interests have been sacrificed or will suffer. On the contrary, it should be a major beneficiary from the strengthening of Indo-Bangladesh relations and the unfolding of the latest accord.

9459

CSO: 4600/1165

INDIA

BRIEFS

ENVOY GO GUYANA--Gajanan Wakankar, a director in the Ministry of External Affairs, has been appointed as high commissioner for India to Guyana in succession to Janki Nath Bhat. [Text] [BK210431 Delhi ISI Diplomatic Information Service in English 1426 GMT 18 Oct 82]

CONTRACT WITH ALGERIA--The public sector Indian Railway Construction Company, Limited, has bagged a railway turnkey project costing 350 million rupees, in Algeria. This is the largest single contract secured by any Indian company in Algeria. [Text] [BK210431 Delhi Domestic Service in English 0830 GMT 20 Oct 82]

9459

CSO: 4600/1166



## BRIEFS

MP ON UN VOTE ON KAMPUCHEA SEAT--The chairman of Commission I of Parliament--in charge of defense and security, foreign affairs and information--Ismail Hasan Metareum, has said that the success of the Democratic Kampuchean Government in retaining its seat at the UN General Assembly is reaffirmation of ASEAN's correct stand in rejecting the presence of the Heng Samrin regime, which is actually a mere puppet of a foreign power. In the UN General Assembly voting, the Democratic Kampuchean Government received 90 votes, 13 more votes than in 1981. Answering questions on the Middle East problem, he said that the Arab side is now showing a relatively moderate attitude, thus giving indirect recognition to the existence of the state of Israel in the Middle East. Ismail Hasan Metareum said that it is time for the United States to play its role in realizing a just and lasting peace in the Middle East by settling the Arab-Israeli conflict in a comprehensive way. The United States must convince Israel not to allow such a good opportunity to pass by. [Text] [BK280904 Jakarta Domestic Service in Indonesian 1500 GMT 27 Oct 82]

CSO: 4213/502

## AGRICULTURAL REPORTAGE FOR 11-17 OCTOBER

[Editorial Report] BK180649--Monitored Kampuchean media have reported the following agricultural developments for the reporting period 11-17 October:

**Kompong Cham:** Phnom Penh SPK in French at 0405 GMT on 11 October reports that peasants in this province have planted rice on 129,500 hectares or 86 percent of the plan norm. Memot and Ponhea Krek districts have fulfilled their rice production plans of 11,600 hectares and 28,100 hectares respectively. The province has grown 11,900 hectares of industrial crops including cotton, jute and sugarcane. It has also erected dikes and dug canals for irrigation purposes. More than 600 hectares of ricefield were saved from drought with the aid of the provincial agriculture service which sent water pumps to the farmers in time. In the coming dry season, the province plans to plant 21,000 hectares of rice, 8,000 hectares of corn and 14,000 hectares of subsidiary crops.

**Kompong Chhnang:** Phnom Penh Domestic Service in Cambodian at 0430 GMT on 11 October notes that Kompong Tralach District has transplanted more than 11,500 hectares of various types of rice and planted 1,000 hectares of subsidiary crops and 233 hectares of industrial crops. The radio at 1300 GMT on 12 October adds that in Rolea P'ier District, from the beginning of this rainy season up to the first week of October, peasants planted rice on 11,247 hectares.

**Kompong Thom:** SPK at 0400 GMT on 13 October says that by the end of last month, this province had planted 109,860 hectares of rice or 90 percent of the plan and grown 7,000 hectares of subsidiary crops, half of which were corn. Despite floods, Sandan District has fulfilled its rice production plan of 7,390 hectares. The provincial agriculture service has assisted the people in clearing 14,200 hectares of land. The veterinary service has vaccinated 1/5 of the cattle estimated at 242,000 [figure as received] head and 7,600 pigs. In the coming dry season, Kompong Thom plans to grow 6,000 hectares of rice. Phnom Penh Radio at 1300 GMT on 13 October says that by early September, Stoung District had planted more than 15,500 hectares of rice and 560 hectares of subsidiary crops and vegetables. In Santuk District, the radio at 1200 GMT on 14 October adds, by early September, 13,450 hectares of rice had been transplanted and 600 hectares of subsidiary crops planted. Meanwhile, Kompong Svay District

had planted more than 21,130 hectares of various types of rice and grown 790 hectares of subsidiary crops, according to the radio at 0400 GMT on 15 October.

Takeo: At 1435 GMT on 13 October SPK reports that by the end of last month, peasants in this province had planted 112,000 hectares of rice--39,300 hectares more than in the corresponding period of last year--and 6,760 hectares of subsidiary crops and 550 hectares of industrial crops. The province has supplied the people with 920 tons of IR-36 seeds, 500 tons of floating rice seeds, 6,640 tons of chemical fertilizer, 19,900 liters of insecticide, 35 tons of rat poison, 24 sprayers, 3,200 plowshares, 1,750 mould-boards of ploughs and 400 motor pumps. In the next dry season, the province plans to cultivate 133,000 [figure as received] hectares of rice. It has erected dikes 13,080 meters long, dug canals 28,560 meters long and built 2 pumping stations, one near the provincial town and the other in Tram Kak District. Phnom Penh Radio at 0430 GMT on 16 October mentions that in Kiriwong District, peasants have completed sowing, planting and transplanting rice on 27,900 hectares. The radio at 1300 GMT on the same day adds Kaoh Andet District, by early October, had transplanted 15,000 hectares of later rice, ordinary rice, early rice and floating rice. This is 68 percent of the plan norm. More than 3,200 hectares of fallow land had been reclaimed and 164 hectares of rice harvested. The district's rice production target for the coming dry season is 3,000 hectares.

Battambang: By early October, Battambang Province had fulfilled its rice production plan of 282,870 hectares, according to SPK at 0400 GMT on 15 October. The news agency adds that in the third quarter of this year, the provincial veterinary service vaccinated more than 9,000 head of cattle and 1,600 pigs against infectious diseases.

Kampot: Radio Phnom Penh at 1300 GMT on 16 October reports that by the end of last month, Angkor Chey District had planted more than 6,900 hectares of rice and 974 hectares of subsidiary crops. The district peasants are striving to fulfill the rice production plan of 10,000 hectares.

Kandal: At 0430 GMT on 17 October, the radio notes that by early this month, Phnom Penh District had planted 8,807 hectares of various types of rice, including 650 hectares of IR-36 rice. The total acreage is 127 hectares above plan.

Prey Veng: SPK at 1430 GMT on 17 October says that by mid-September, Prey Veng Province had transplanted 109,400 hectares of rice compared with 95,600 hectares achieved in the same period of last year. The acreage included 22,300 hectares of IR-36 rice strain. During the first half of this year, the provincial veterinary service vaccinated 47,480 head of cattle against infectious diseases, particularly in Preah Sdech District. The province has cleared 3,600 hectares of land. Meanwhile, peasants have been preparing chemical fertilizer, insecticide, seeds and strengthening hydraulic works for rice cultivation in the coming dry season.

CSO: 4212/7

## AGRICULTURAL REPORT FOR 18-24 OCTOBER

[Editorial Report] BK250651--Monitored Kampuchean media have reported the following agricultural developments for the reporting period 18-24 October:

National level: By the end of September, Kampuchea had planted 1,474,480 hectares of rice or 95 percent of the plan, according to Phnom Penh SPK in French at 1432 GMT on 21 October.

Kompong Speu: The news agency at 0402 GMT on 18 October notes that by early October, Kompong Speu had planted 61,570 hectares of rice and 6,650 hectares of subsidiary crops including corn, manioc and haricot bean. With the aid of motor pumps, scoops and chain pumps the provincial people saved 4,740 hectares of rice from drought. They have harvested 1,100 hectares of the 11,200 hectares of early rice. In the forthcoming dry season, the province plans to cultivate 2,800 [figure as received] hectares of rice. Phnom Penh Domestic Service in Cambodian at 1300 GMT on 21 October says that Samraong Tong District, by mid-October, had transplanted nearly 13,200 hectares of various types of rice and harvested 797 hectares of early and IR-36 rice. The district plan for the dry-season rice production is 1,200 hectares. The radio at 1300 GMT on 22 October adds that Oudong District, by early October, had transplanted nearly 10,000 hectares of rainy-season rice, including 228 hectares of the IR-36 strain, grown over 400 hectares of subsidiary crops and raised over 9,000 head of cattle and buffalo. SPK at 0359 GMT on 20 October notes that during the rainy season the people of this district received from the provincial authorities 290 tons of chemical fertilizer, 50 tons of IR-36 rice seed, 200 liters of insecticide, 200 kg of rat poison, 26 motor pumps and agricultural tools. The plan for the dry season is 45,000 [figure as received] hectares of rice.

Battambang: Phnom Penh Radio at 0430 GMT on 18 October reports that by 10 October, the province had cultivated rice on 281,000 hectares or 100.66 percent of the plan. The districts that have overfulfilled the plan include Battambang, Sisophon, Mongkolborei, Preah Net Preah and Sangke; those having fulfilled more than 90 percent are Mounk Russei and Phnum Srok, while Ratanamondol and Thmar Puok have lagged behind schedule. The radio at 1300 GMT on 23 October adds that Phnum Srok District, by early October, had planted 15,100 hectares of rainy-season rice, 320 hectares of subsidiary crops and 250 hectares of industrial crops.



**Kompong Cham:** According to Radio Phnom Penh at 0430 GMT on 18 October, Tbong Knmum District by the end of September had transplanted over 17,500 hectares of various types of rice and grown 5,500 hectares of subsidiary food crops. The radio adds at 0430 GMT on 20 October that Prey Chhor District, by early October, had transplanted 14,300 hectares of early, late and slash-and-burn rice and grown more than 460 hectares of subsidiary crops.

**Kompong Chhnang:** Phnom Penh Radio at 0430 GMT on 18 October carries a station correspondent's interview with (Chhun Thoeun), permanent member of Kompong Chhnang Provincial People's Revolutionary Committee, on development achieved in all fields of Kompong Chhnang Province. In agriculture, he notes that in 1981-82, 44,208 hectares of various types of rice have been planted, including the transplant of 13,841 hectares of late rice, 12,874 hectares of ordinary rice, 8,394 hectares of early rice, 690 hectares of slash-and-burn rice and 3,092 hectares of highland rice [all figures as heard]; 5,274 hectares of floating rice broadcast; 3,362 hectares of subsidiary crops and 472 hectares of industrial crops planted; and 11,174 hectares of ricefield reclaimed.

**Takeo:** SPK News Agency at 1503 GMT on 18 October reports that Kirivong District by early October had planted 24,900 hectares of rice or 4,000 hectares more than planned, including 370 hectares of intensive agriculture, especially the IR-36 strain, and grown 400 hectares of subsidiary crops. The district has harvested 4,360 hectares of high-yielding rice of the IR-36 strain and reclaimed 2,700 hectares of wasteland and repaired weirs and canals totaling 9 km. In the coming dry season Kirivong District plans to grow 5,000 hectares of rice including 300 hectares of the IR-36 strain. Phnom Penh Radio at 1300 GMT on 24 October adds that in Prey Kabbas District, by the end of September, peasants had transplanted 10,822 hectares of rice. The local power provided them with 50 tons of IR-36 rice seed, chemical fertilizer and motor pumps, according to SPK at 0408 GMT on 22 October. With the aid of motor pumps supplied by the Ministry of Agriculture, Takeo Province saved 2,076 hectares of rice from drought, the news agency adds at 1430 GMT on 24 October.

**Svay Rieng:** Phnom Penh Radio at 0430 GMT on 30 October reports that in Rumduol District, by mid-September, the 15,000-hectare plan had been over-fulfilled by 792 hectares of rice transplanted; 130 hectares of subsidiary crops had been grown.

**Kompong Thom:** Radio Phnom Penh at 0430 GMT on 21 October notes that by mid-September, Kompong Thom Province had transplanted almost 110,000 hectares of various types of rice and grown over 7,000 hectares of corn, bean and potato as well as over 1,000 hectares of vegetables. Earlier, at 0430 GMT on 18 October, the radio says that in Baray District, by 27 August [as heard], the 24,600 hectares of floating late, ordinary, early and slash-and-burn rice had been planted and over 2,870 hectares of subsidiary crops planted.

**Kandal:** SPK at 1430 GMT on 24 October reports that Kaoh Thom District has obtained 760 tons of paddy and 5,580 tons of corn. In this main rice production season, despite floods the district has cultivated 2,450 hectares of rice or 70 percent of the plan and 3,550 hectares of corn.

## BRIEFS

**VIETNAMESE BATTALION AMBUSHED**--On 17 and 18 October, our national army and guerrillas ambushed a Vietnamese battalion moving from Choam Khsan to Trapeang Toek Ti Muoy and Srae Kang Toap on the Chhep-Thalabarivat battlefield. We killed 15 Vietnamese enemy soldiers and wounded a number of others. Four soldiers were killed and eight others wounded when they stepped on our mines and fell into our punji pitfalls. The Vietnamese suffered a total of 27 casualties, and the remaining soldiers fled to their positions at Trapeang Toek Ti Muoy and Srae Kang Toap. We also seized a quantity of ammunition and materiel. Long live our valiant and courageous national army, guerrillas and people of the Chhep-Thalabarivat battlefield! [Text] [BK250224 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 24 Oct 82]

**BAKAN-PURSAT BATTLE RESULTS**--In September, our comrades in arms on the Bakan-Pursat battlefield killed 106 Vietnamese enemy aggressors and wounded 38 others for a total of 144 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 85,000 new spikes, dug 200 new punji pitfalls and set 150 new automatic bows. Long live our valiant and courageous national army, guerrillas and people on the Bakan-Pursat battlefield! [Text] [BK241141 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 22 Oct 82]

**WESTERN REGION BATTLE STATISTICS**--In September our comrades in arms on the western region battlefield killed 108 Vietnamese enemy soldiers and wounded 88 others for a total of 196 casualties. In the field of primitive weapons production, our comrades in arms made and planted 120,000 punji stakes, dug 150 punji pitfalls and set 160 automatic bows. Long live our valiant and courageous army, guerrillas and people of the western region battlefield! [Text] [BK220145 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 Oct 82]

**CONVOY ATTACKED**--On 6 October our national army and guerrillas ambushed a Vietnamese troop convoy on route 19 in Lomphat District, Ratanakiri Province. A Vietnamese truck was destroyed and 15 soldiers were killed, including a platoon commander. Three other trucks turned back. Long live our valiant and courageous national army, guerrillas and people in Lomphat District, Ratanakiri Province! [Text] [BK220157 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 21 Oct 82]

**SOUTHWEST BATTLEFIELDS CASUALTIES**--In September, our comrades in arms on the southwest region battlefields killed 69 Vietnamese enemy soldiers and wounded 72 others for a total of 141 casualties. In the field of primitive weapons production, our comrades in arms made and planted 190,000 punji stakes, dug 600 punji pitfalls and set 270 automatic bows. Long live our valiant and courageous army, guerrillas and people of the southwest region battlefields! [Text] [BK210326 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 20 Oct 82]

**EASTERN REGION ACTIVITIES**--In September, our comrades in arms on the Ratanakiri, Mondolkiri, Stung Treng, Kratie and eastern region battlefields killed 18 Vietnamese soldiers and wounded 11 others for a total of 29 casualties. In the field of primitive weapons production, our comrades in arms made and planted 1,050,000 punji stakes, dug 750 punji pitfalls and set 900 automatic bows. Long live our valiant and courageous army, guerrillas and people of the Ratanakiri, Mondolkiri, Stung Treng, Kratie and eastern region battlefields! [Text] [BK200140 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 19 Oct 82]

**CENTRAL REGION CASUALTIES**--In September, our comrades in arms on the central region battlefields killed 10 Vietnamese enemy soldiers and wounded 12 others for a total of 22 casualties. In the field of primitive weapons production, our comrades in arms made and planted 930,000 punji stakes, dug 300 punji pitfalls and set 250 automatic bows. Long live our valiant and courageous army, guerrillas and people of the central region battlefields! [Text] [BK190230 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 18 Oct 82]

**AMBUSH IN SIEM REAP**--On 8 October, a Vietnamese battalion moving from Moung Village in Kralanh District to force people in Puok District to enroll in the army, was ambushed by our national army and guerrillas at Khlong and Kdei Run villages in Puok District, Siem Reap Province. We killed 17 Vietnamese enemy soldiers, including a battalion and a company commander, and wounded 8 others for a total of 25 casualties. The remaining soldiers fled in panic. We seized a pistol, a B-40 launcher, 2 RPD's, 5 AK's, 6 B-40 rockets and 1,500 rounds of AK ammunition; we also destroyed a C-25 field radio and a quantity of materiel. We completely smashed this Vietnamese intrusion and defended our people from being conscripted by the Vietnamese enemy soldiers. Long live our valiant and courageous national army, guerrillas and people of the Siem Reap battlefield! [Text] [BK180218 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 17 Oct 82]

**CHHEP-THALABARIVAT BATTLEFIELD STATISTICS**--Last September, our comrades in arms on the Chhep-Thalabarivat battlefield killed 56 Vietnamese enemy soldiers and wounded 65 others for a total of 121 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 1.65 million punji stakes, dug 700 punji pitfalls and set 900 automatic bows. Long live our valiant and courageous army, guerrillas and people



on the Chhep-Thalabarivat battlefield! [Text] [BK170947 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 16 Oct 82]

SIEM REAP-ROUTE 6 BATTLE STATISTICS--Last September our comrades in arms on the Siem Reap-Route 6 battlefield killed 226 Vietnamese enemy soldiers and wounded 144 others for a total of 370 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 185,000 new punji stakes, dug 260 punji pitfalls and set 150 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Siem Reap-Route 6 battlefield! [Text] [BK160830 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 15 Oct 82]

SEPTEMBER ACTIVITY IN NORTH--Last September, our comrades in arms on the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield killed 151 Vietnamese aggressor soldiers and wounded 151 others for a total of 302 enemy casualties. In the production of primitive weapons, our comrades in arms made and planted 330,000 new punji stakes, dug 230 punji pitfalls and set 450 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Choam Khsan-Preah Vihear-Oddar Meanchey battlefield! [Text] [BK150439 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 14 Oct 82]

BATTLEFIELD STATISTICS--Last September, our comrades-in-arms on the sisophon north of route 5-Thmar Puok-Phnum Srok-Preah Net Preah battlefield killed 122 Vietnamese enemy soldiers and wounded 130 others for a total of 252 enemy casualties. In the production of primitive weapons, our comrades-in-arms made and planted 286,000 new punji stakes, dug 390 punji pitfalls and set 160 automatic bows. Long live our valiant and courageous army, guerrillas and people on the sisophon north of Route 5-Thmar Puok-Phnum Srok-Preah Net Preah battlefield! [Text] [BK140609 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 13 Oct 82]

BATTAMBANG PROVINCE BATTLE REPORT--In September, our comrades-in-arms on the south Sisophon-Mongkolborei-Bavel battlefield killed 144 Vietnamese enemy soldiers and wounded 194 others for a total of 338 casualties. In the field of primitive weapons production, our comrades-in-arms made and planted 960,000 punji stakes, dug 490 punji pitfalls and set 140 automatic bows. Long live our valiant and courageous army, guerrillas and people of the south Sisophon-Mongkolborei-Bavel battlefield! [Text] [BK130135 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Oct 82]

SOLDIERS JOIN GUERRILLAS--On 4 October, 13 fraternal Khmer soldiers, including a regimental commander, who were forcibly drafted by the Vietnamese aggressors into taking up weapons in their service at the Nimit position of the Sisophon battlefield south of Route 5, Battambang Province, fled to the side of our guerrillas. They brought with them seven assorted weapons: a pistol, a B-40, an M-79 and four AK's. They told our army and guerrillas that they could no longer serve the Vietnamese

aggressors, who continued to indiscriminately arrest and massacre our innocent people in a bid to exterminate our Kampuchean race. They were determined to join with our nation, people and national army and guerrillas of Democratic Kampuchea in the struggle against the Vietnamese aggressors to safeguard our Kampuchean nation. [Text] [BK221228 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 12 Oct 82]

PAILIN BATTLE STATISTICS--In September, our comrades-in-arms on the Route 10-Pailin battlefield killed 223 Vietnamese enemy soldiers and wounded 213 others for a total of 436 enemy casualties. In the field of primitive weapons production, our comrades-in-arms made and planted 185,000 punji stakes, dug 360 punji pitfalls and set 180 automatic bows. Long live our valiant and courageous army, guerrillas and people of the Route 10-Pailin battlefield! [Text] [BK120244 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 11 Oct 82]

SAMLOT BATTLE REPORT--Last September, our comrades in arms on the Samlot battlefield killed 261 Vietnamese enemies and wounded 310 others for a total of 571 casualties. Concerning the production of primitive weapons, our comrades in arms made and planted 120,000 new spikes, dug 270 new punji pitfalls and set 170 new automatic bows. Long live our valiant and courageous army, guerrillas and people on the Samlot battlefield! [Text] [BK111000 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 10 Oct 82]

WESTERN LEACH COMBAT REPORT--Last September our comrades in arms on the Western Leach battlefield killed 71 Vietnamese enemy troops and wounded 58 others for a total of 129 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 1.2 million punji stakes, dug 480 punji pitfalls and set 200 automatic bows. Long live our valiant and courageous army, guerrillas and people on the Western Leach battlefield! [Text] [BK100442 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 9 Oct 82]

KOH KONG-KOMPONG SOM BATTLE STATISTICS--Last September, our comrades in arms on the Koh Kong-Kompong Som battlefield killed 357 Vietnamese enemy troops and wounded 335 others for a total of 692 enemy casualties. In the production of the primitive weapons, our comrades in arms made and planted 1.5 million new punji stakes, dug 400 punji pitfalls and set 180 automatic bows and snares. Long live our valiant and courageous army, guerrillas and people on the Koh Kong-Kompong Som battlefield! [Text] [BK091023 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 8 Oct 82]

PHNOM PENH AMBUSH--On 17 September in an area north of the olympic stadium in Phnom Penh, our guerrillas ambushed and killed a Vietnamese platoon commander and a policeman. Our guerrillas also seized an AK with folding stock, 90 AK rounds, a pistol, 40 pistol bullets and a handgrenade. Long live our valiant and courageous guerrillas and people in Phnom Penh. [Text] [BK070538 (Clandestine) Voice of Democratic Kampuchea in Cambodian to Kampuchea 2330 GMT 6 Oct 82]

ARTS, WRITERS DELEGATION DEPARTS--At the invitation of the Vietnam Writers Association, a delegation of the Kampuchean Letters, Arts and Writers Association led by Comrade Kong Bunchhoeun, member of the KUFNCD National Council, left Phnom Penh at 1200 on 19 October for the SRV to attend the international conference of the Asian and African Letters and Writers Associations to be held in Ho Chi Minh City from 20 to 22 October. Seeing the delegation off were Comrade Uk Prathna, chief of the propaganda department of the Central Propaganda and Education Commission, Comrade Pao Hamphan, acting chief of cabinet of the Central Propaganda and Education Commission, and other cadres and employees. Comrade Nguyen Hoa, acting charge d'affaires of the SRV to Kampuchea, was also present. [Text]  
[BK200629 Phnom Penh Domestic Service in Cambodian 0430 GMT 20 Oct 82]

CSO: 4212/7

# TRADE UNION MANAGEMENT, LEADERSHIP DESCRIBED

Vientiane HENG NGAN in Lao 16-31 Jul 82 pp 14, 15, 20

['Trade Union Problem Study' Column: "A Number of Problems of Theory and Lessons Learned Concerning Trade Unions in a Socialist Revolution. Part IV"]

[Text] Organizational system and working principles for trade unions.

A. Organizational theory. Trade unions are set up based on the principles of democratic centralism. All levels of the trade union administrative committee from the base level up to the Central Federation of Trade Unions are democratically elected, and do their work according to leadership principles as groups and individuals, and are responsible for the trade union resolutions of that level.

The highest office of any level of trade union is the trade union congress of that level. Representatives who attend the congress for all levels must be elected from the lowest levels on up. The election of trade union administrative committees of all levels must be carried out by secret ballot, and to be elected one must receive more than half of the votes. The trade union congress will decide the number of members of the trade union administrative committee for its level.

All government offices, the offices of economic, cultural, science and technology sections, factories, mines, construction sites, agricultural settlements, forestry settlements, government shops, hospitals, schools, ports, transportation vehicles divisions, government-private enterprises factories, and private capitalists' factories have a [base] trade union. (Government factories serving the national defense must be considered equal to other government factories in general, except for a number of special factories that need separate regulations.)

Base trade unions that are organized in production units, business, task, and administration are unified in sections and localities.

Trade unions in production, business, [task] or service expand into a system for specialized tasks and then form a local trade union service or unite themselves under a central trade union commerce trade union, transportation trade union, education trade union, etc.)

local trade unions organizations include trade union bases in production units and economic services. Local task administration under the area of the provincial committee is unified according to the local trade union organization.

Trade unions at the central schelon, local trade union organizations, and all trade union units are subordinate to and unite themselves into the central labor union organization which is a member of the World Federation of Trade Unions.

#### B. Leadership principles and working techniques

In the trade union system, all levels must work consistently with the unified regulations that lead people in groups and individuals to be responsible. This principle clearly specifies the rights and powers of the groups which are the highest rights and powers. All actual work will be divided up after the group committee explains, discusses, and unanimously agrees.

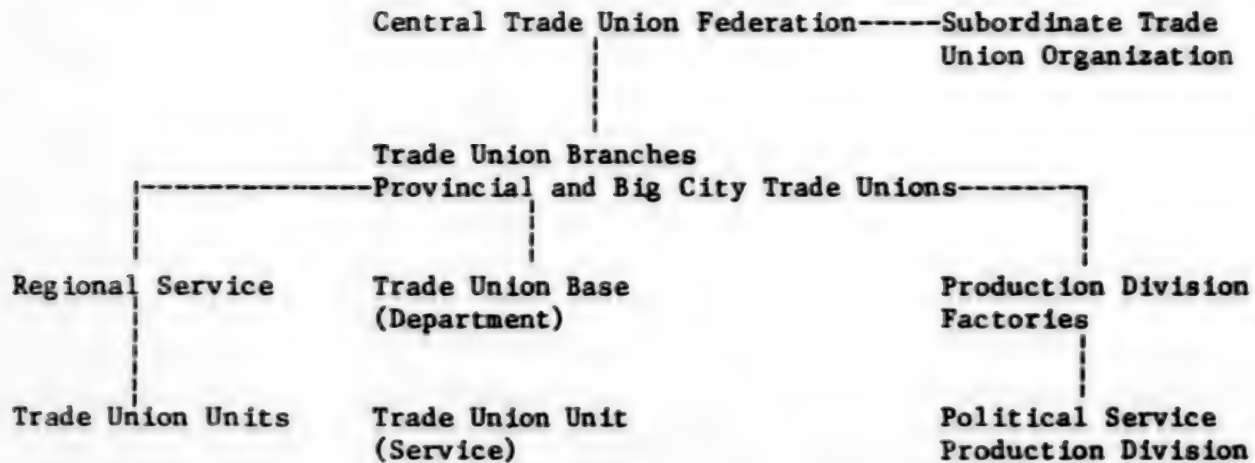
It is necessary to firmly grasp the most basic principle of the trade union movement which is the mass movement. The trade union base must determinedly attract workers and government employees to the trade union movement network so it will steadily expand. It is necessary to set up the primary and important mass movement in each base unit.

This is the way to mobilize, organize, train, persuade, and have friendly contact with the masses. The technique of carrying out the mass work starts from the principles for setting up the trade union based on the awakening and voluntarism of the trade union members who must clearly show two characteristics: mass and the trade union class. This technique opposes all use of orders to force the masses, and is against being arrogant, careless, and rude towards the trade union members. It is also against the disease of power, when people work at their desks and do not closely relate with production and the standard of living of the masses. This technique is aimed at training people in many aspects concerning political ideology, acknowledgement of past deeds, production, social movements, and a happy and civilized lifestyle. Trade union cadres of all levels, especially local cadres, must set a great deal of time aside to go to factories to share their lives, to work together with the masses. This is in order to clearly understand production conditions and the standard of living of the masses by going through that work in order to make some changes in different levels of trade union work to make the trade union movement reflect the workers' revolutionary fervor.

C. [Question] Who are qualified to become trade union members? What are the responsibilities and benefits of trade union members?

Trade union organizations must consist of strong forces of those who work with their hands and feet and those who work with their brains in hundreds of different vocational subjects and specialized tasks in the national economy, science, technical sections, education, culture, gymnastics, arts, [task] sections, etc.





Concerning rights and freedom in our country, the trade union has regained this along with the reestablishment of the new government regime by the workers and through their political party which leads all workers who work with their hands and feet and with their brains. All who work and receive a salary qualify to become trade union members. All workers and government employees regardless of their occupations, nationalities, citizenship, sex, and religious beliefs who work regularly in government factories, government and private-owner partnership factories, private capitalist factories, offices, hospitals, production divisions, if they are good at following the rules and regulations of the trade union and voluntarily create movements for trade union organization, are accepted as trade union members. The acceptance of labor union members is decided by the trade union unit committee meetings, which reports to the next higher level of the labor union administrative committee which makes the decision.

Responsibilities of trade union members. Briefly speaking, there are 5 responsibilities for trade union members:

- to carry out their work with honesty, protect national property, and respect government laws;
- to fulfill the obligation of protecting their fatherland;
- to determinedly study and to endlessly improve their political and cultural knowledge, and technological and technical skills;
- to unite and help each other in production, work, living, and fighting against any actions that are dangerous to the revolution and themselves;
- to follow the orders and resolutions of the trade union; determine to live a trade unionist's life, pay the monthly membership fee on the date and time scheduled.



Trade union members have their rights and benefits, as follows:

- to explain and vote concerning various problems in trade union meetings; to run for office; nominate candidates, and elect different levels of the trade union leadership committees;
- comment on different levels of the trade union leading committee or the trade union cadres as individuals in meetings in order to make some changes in their work; comment on the trade union members to help them to advance themselves;
- participate and express their opinions in trade union meetings concerning commendations, disciplinary measures, or observing their own work;
- when their rights and benefits have been violated, and they are protected by the trade union, they have the right to file a complaint to the higher echelons;
- use their rights and benefits concerning public benefits, the cultural activities, literature, sports, vacations, and travel organized by the trade union. If they run into any difficulty or disaster they will be assisted by the trade union.

#### Standards for trade union cadres

Recently the establishment of the organization, training, and enhancing of trade union cadres has become an important and urgent problem. We have to fully train trade union cadres who have knowledge in culture, technology, and economics to be capable of managing labor. The mass mobilizing techniques must be firmly grasped to ensure a sufficient amount of cadres who are responsible for the existing bases. Prepare the bases that are being built and will be fully built. The trade union is also responsible for supplying cadres for the party and government by selecting from the mass process. The setting up of trade union organizations, expanding the trade union, and forming the trade union forces are three closely related problems in the evolutionary development of the revolutionary struggle, and it is necessary to go through the revolutionary struggle in order to improve. There is no other way. This is extra work for the labor union. It is the overall work of the party and the government, and also of the people, because it is the most primary work, our business, our future, and all the glory of the nation. How soon [are we] to have socialism? Is it good or bad? Who are the laborers who are building up the new regime? How does everything depend upon the conditions for the growth, strength, and encouragement of the rights of ownership of the workers? The growth and strength of the workers is related to the growth and strength of the trade union and the trade union units.

The training of the party and government's cadres and of other organizations' cadres must start from workers and the trade union units that are trained and formed by going through the evolutionary process of the revolutionary struggle

of the workers. This problem has its meaning in terms of opinions and experiences in order to guarantee purity and confidence concerning the firm beliefs and firm political ideology in all work of the party and government organizations and other organizations.

In the present situation the basic standard of the labor union cadres may be set up as follows:

- 1) they must have firm belief in the workers; above all, they must be able to grasp the party's policies;
- 2) they must have a high revolutionary spirit towards the work of the workers;
- 3) they must have certain knowledge concerning the labor union work;
- 4) they must have a [style] of being close to the masses, and must be trusted by the masses.

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CSO: 4206/5

KHAMMOUAN FORESTRY, ROAD CONSTRUCTION, WORK FOR MILITARY NOTED

Vientiane HENG NGAN in Lao 16-31 Jul 82 p 5

['Article': "Tree Cutting Section Workers of Khammouan Province Have Performed Their First Six Months Work with Success"]

[Text] In the first six months of this year workers in the tree cutting section subordinate to the Agriculture, Forestry, and Irrigation Service attentively carried out their specialized task. During that time they cut trees in many different places and sent 1,425,309 cubic meters of wood to lumber mills. This included 168,507 cubic meters of Burmese ebony, 42,080 cubic meters of poles and "si" wood, 182,767 cubic meters of many different kinds of hardwoods, and 1,031,955 cubic meters of softwood. Besides cutting wood to send to lumber mills, they also cut 1,151,111 cubic meters of trees for sale to be used in the construction of different offices and organizations. These included 3,055 cubic meters of Brazilian rosewood, 28,323 cubic meters of Burmese ebony hardwood, 728,984 cubic meters of hardwood, 64,180 cubic meters of poles and "si" wood, and 326,569 cubic meters of softwood.

Along with wood cutting they also built roads into the cutting sites in the Khamhai Forest area in Mahasai District from Pha Yat cliff to Nong Khon, 6 km long and 3 meters wide. In the direction of Gnommalat District from Pak Nam-On to Houai Sot the road is 16 km long and 3 meters wide. They repaired 12 km of road from Na Kok to Ban Se.

Meanwhile they also [signed] a contract to transport and to clear out various construction sites, for example, contracts to transport a total of 49 tons of different materials for the Khammouan Province Irrigation No 2 and the provincial public works, Route 13 Construction Division, clearing 3 hectares of land for tree growing and 4 hectares for a sugar factory construction site, digging a fish pond 2.5 meters deep, 6 meters wide, and 60 meters long for the provincial military command, and 70 percent finished [digging] a 50-square meter and 3-meter deep provincial agricultural fish pond; they dug 5 fish ponds for cadres and the people 7 meters long, 5 meters wide, and 3 meters deep on the overall average.

Today they are vigorously continuing to carry out their work in order to achieve the second six months plan.

9884

CSO: 4206/5

EXEMPTION FROM MILITARY CONSCRIPTION, NEWSPAPER CIRCULATION DISCUSSED

Vientiane NOUM LAO in Lao 1-15 Jul 92 pp 4, 13

['Friends Ask We Answer' Column]

[Excerpts] [Question] To our readers. In this issue we discuss a letter from Comrade Vieng Savan, a Louang Namatha youth who besides admiring the achievements of NOUM LAO has some questions, as follows.

1) In other countries in the world nearly all youths have an obligation by law to take part in national defense work after they complete their education, except for those who are in poor health. Will this be the same in Laos in the future?

2) NOUM LAO as well as other newspapers are published and distributed in Vientiane Capital, but very few will reach Louang Namtha Province. What can be done to solve this problem?

[Answer] We thank Comrade Vieng Savan, the Louang Namatha youth who sent in these questions.

1. In fraternal socialist countries such as the USSR, Czechoslovakia, Hungary, etc., they all have a law concerning the obligation of youth towards national defense work. All youth must be soldiers for 3 years before they have the right to hold a job, except for those who are in poor health or other special cases. In our country there have not been any regulations for youth concerning this matter. However, the party and government attentively mobilize all youth to participate in national defense and public security work. In my opinion concerning this problem it is best that all youth should take part in serving in the ranks of the army due to their obligation towards such work.

2. Concerning different newspapers, especially NOUM LAO, that are being delivered to Louang Namtha Province, because of some difficulties in communications they might get lost. However, we will try again to find ways for you to receive the newspapers routinely.

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CSO: 4206/5

# FISH FARMING YIELDS RESULTS IN VIENTIANE

Vientiane SIANG PASASON in Lao 15 Sep 82 p 2

[Article by Nang Kongmali; photograph by Ketneung: "Progress on the Tha Ngon Fish Farming Construction Project"]

[Excerpts] The 50-hectare fish farming construction project is 25km east of Vientiane in a large flatland under a clear blue sky. This makes the natural geography of the Nam Ngum shore even livelier.

Comrade Pakaiphet of the committee responsible for the project smiled proudly and reported that before 1980 this fish farming station was directly under the Animal Husbandry and Veterinarian Department; however, since 1980 it has been under the vegetable planting project and was named "The Vegetable Planting and Fish Farming Settlement of Tha Ngon" in which its administration and organization has been under the settlement. Its production techniques are under the Animal Husbandry and Veterinarian Department. Now, 35 hectares of the fish pond construction project have been completed. It is expected that 50 hectares will be completed in last 1983. Along with the fish pond construction, fish production and [the use of] experimental fish are being done at the same time in order to raise the standard of living for cadres and workers. This includes domestic and foreign fish production, for example, grass-eating fish, Indian fish, Chinese fish, and Chinese carp. Fish production in this fish pond has been conducted with artificial mixed breeds.

It terms of fish and small fresh water fish production recently, we can see that in 1981 they were able to produce 50,000 fry and 1,5 tons of fish meat. Since 1982 they have produced 1 million fry, and over 2 tons of fish meat. The [planning] of this fish farming station has been set in many categories, for example, 16 shark ponds of 35 x 65 meters, 23 fry ponds of 16 x 26 meters, 6 fish breeding ponds of 50 x 70 meters, and 22 market fish ponds of 75 x 215 meters. Up to now many fish ponds have successfully put in a number of fish, for example, 13 market fish ponds were successful and 100,000 fish were put in.

Moreover, at this fish station a school has been opened to teach fresh water fish farming at the medium level in order to improve the specialized task level of cadres and to train youth who will carry on fish farming. Comrade Sengkeo and Comrade Nang Somkhoun of the board of directors and who are also



responsible for administration and teachers in that school told us that the school for vocational fish farming has [taken in] 2 groups of students whose study program is 1 year and 6 months long. The total of 35 trainees are from various parts of the nation.

However, fish farming is still a new occupation in our country. Thus, the fish farming station is still faced with some difficulties, for example, the lack of materials and equipment, and also there are still few cadres and workers. Thus, we have to train [people] and produce fish at the same time in order for the people to be the owners of production and to succeed in the project.

At the end Comrade Pakai along with the committee which is responsible brought us to see the artificial fish breeding and the fish farms [planned for the future]; the 50-hectare fish farming station in Tha Ngon will produce fish to supply the markets and will take its place in solving the food supply problem for the people in Vientiane Capital.

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CSO: 4206/6

# VIENTIANE DISTRICT HARD HIT BY DROUGHT, FLOODS

Vientiane SIANG PASASON in Lao 14 Sep 82 p 3

[Article by Litthi Sisuvong: "Victorious Fight Against Drought and Flood"]

[Text] The beginning of the rice growing season this year was hard hit by drought in Vientiane Province, but later on it was flooded so there are dry as well as flooded ricefields. The most serious damage was in Hatsaifong District.

Hatsiafong District is located on a plateau along the Mekong shore south of Vientiane. Its ricefields total 6300 hectares. Because of the drought condition threatening this year's rice growing season, all the ricefields mentioned in Hatsaifong were faced with drought except in some places having irrigation systems and where pumps were installed.

In order to fight against the drought without letting the season pass by, besides hurriedly sending workers, vehicles, and machinery, the higher echelons sent cadres whose specialized task is irrigation to solve the irrigation system [problem] and to do everything possible to provide water for farming, for example, by installing water pumps and digging irrigation ditches in Chinaimo, Kengpayang, Hatdokkeow, Nong Hong, Na Hai, Houai Deua, and other places.

The base administrative authorities of that district closely guided the people in the fight against the drought. Some places used irrigation scoops to bring water to the ricefields. In some places the people had to carry water to the seed beds. Some places were replanted. Besides this, they utilized the rain that did come when it was planting time. This helped the people in Hatsaifong District, in particular, to be able to plough a great deal except for only 171 hectares left because of the drought, [where they were] unable to drain water in. When the rains came the young rice plants were too big to be planted.

However, to improve soil conditions in the unplanted ricefields their correct technique was to mobilize the [people] to search for different starchy crops to replace the rice plants; another good technique was that they sought an additional 873 hectares of flooded abandoned ricefields to plough according to the statement of Mr Boundi, who is responsible for

Hatsaifong District's administrative office. The Hatsaifong District people were not only faced with drought but also heavy rains as soon as they had finished ploughing. This caused flooding in the ricefields and damaged 427 hectares of ricefields. Most of the damage was in Ban Hom Canton with 90 hectares, and 89 hectares were damaged in Ban Don Canton.

In Ban Don Canton, for example, ricefields total only 396 hectares, yet as many as 89 hectares were flooded. This was serious damage. Therefore, a good way out was to replant the rice and to replace each damaged rice plant. Meanwhile, they attentively took care of the ricefields, weeded, killed worms and insects, and applied fertilizer to make the rice plants grow beautifully.

In the rice growing season this year, even though facing natural disaster and threatened by drought and flood, our Lao farmers generally speaking and Hatsaifong farmers in particular united themselves persistently, and fought and worked cheerfully in order to respond to the content of the Third Party Congress plan. They have the persistence to discuss how to make this year's rice growing season another successful year.

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CSO: 4206/6

## BULGARIAN AID PROJECTS DISCUSSED, VALUE NOTED

## Incomplete Projects

Vientiane SIANG PASSASON in Lao 18 Sep 82 p 2

[Article by Ketmeuang]

[Text] From 1976 to 1982 the LPDR and the People's Republic of Bulgaria have signed tens of different agreements, cooperation protocols, records, and documents in order to cooperate in the economy, science, technology, and culture, respectively. For the base area construction, the completed project was the construction of bridge No 5 on route No 9 under the Ministry of Public Works. It was completed and the official transfer ceremony took place on 19 July 1981; its value is 4,564,200 roubles. [According to] the project outline that is being carried out, in the present plan there is a 100-hectare vegetablecultivation project in Tha Ngon, to supply markets in Vientiane, a citronella tree growing project in Tha Ngon, a citronella perfume refinery factory, a complete set of industrial wood projects, making resins, and distilling (colofan).

Meanwhile, there are some plans that have been signed but not carried out, for example, the small scale 1-3 megawatt hydroelectric dam construction project in Nam Sim (technological assistance), the animal food concentrate factory, and canned fruit factory, and fruit orchards.

In terms of sending material assistance as gifts in 1977, there were food supplies, special goods, 26 tons of medicines, and 30 tons of canned vegetables and fruits, all together worth 300,000 leva; they let us borrow up to 924,000 roubles. [All of this] was successfully carried out in 1979 by sending goods worth 444,600 roubles. The exchange of goods based on the agreement and cooperation protocol of 25 December 1979 and 30 October 1980 has been carried on as usual.

In terms of the cooperation in science and nature studies (short-term training unrelated to the funds approved by the Ministry of Education) that was carried out based on the resolution of the third congress of the Laos-Bulgaria subcommittee for scientific and technical cooperation that was opened in Vientiane, a plan was signed to accept 20-30 Lao cadres each year for high-level training (lasting 1-6 months) from 1982 to 1985.

As for technical expert assistance, in particular, [assistance] based on the agreement of 30 September 1976 between the Lao-Bulgarian [subcommittee] for scientific and technical cooperation, they signed an obligation to accept 7 Bulgarian experts in vegetable cultivation, irrigation, machinery, oil refining and bee keeping to work in Laos in order to collect data and to help Lao technicians to effectively carry out different kinds of work.

### Vegetable Farm

Vientiane SIANG PASASON in Lao 13 Sep 82 pp 2,3

[Article and Photo by Ketmeuang]

[Text] A large area of over a hundred hectares in the Tha Ngon plain 25 km northeast of Vientiane is active with an atmosphere of emulation working to prepare the soil for dry season cultivation, to take care of rice plants that are making new beautiful green plants, and to keep different breeds of fish, by over 130 Lao engineers and workers and foreigners. Nowadays vegetable cultivation and fish raising settlements are under the Ministry of Agriculture, Cooperatives, and Irrigation. At this vegetable experimental project which is one of many cooperative projects by our Bulgarian friends [work] is being carried out in order to implement the resolution of the [special] congress of the Lao-Bulgarian subcommittee for agricultural, technical, scientific, and technological cooperation especially the sincere assistance in capital, materials, equipment, and the number of engineers involved in order to carry out the work efficiently and quickly.

Comrade Somvang Dalasak, the settlement chief, said that the primary goal of bringing the vegetable cultivation experimental project to this settlement is, first of all, to serve the people in Vientiane Province and cadres so as to be self-sufficient in fresh vegetables, and later on there will also be a plan to produce vegetables. Besides growing vegetables, they also practice intensive paddy cultivation on 70 hectares of lowland.

The chief of the settlement added that after the last dry season experimentation we can see that the average produce is 12 tons of fresh vegetables per hectare. In order to ensure the expected or to exceed-the-expected results for various kinds of vegetable production such as cabbage, tomatoes, eggplant, large onions, Lao hot peppers, Bulgarian hot peppers, carrots, sweet melons, etc. in this coming dry season the soil preparation, animal manure accumulation, chemical fertilizer, and insecticide must be paid attention to from the beginning of the year. They expect to use 25 tons of animal manure per hectare, and 2 groups will be planted: 6 hectares for the first group, and 2 hectares for the second group. Now the soil preparation, fertilizer and gross mulching have been carried on in over one hectare.

As of now this project is only 1 year old. Production has only been for one season, and the vegetable planting area has not yet been expanded over all the expected area of 20 hectares. However, this one year has clearly indicated the primary victory that was earned by the sweat, the combined labor, and the cooperation between the pioneers from the land of roses and this land of the frangipani.



The proudest thing that came from the difficult new phase of lack of vehicles and actual experiences was not only to have an almost complete set of machinery but also the cooperative atmosphere between two brothers under the same roof of Marxism-Leninism. It is a most beautiful picture.

Comrade (Harris Tovonsev), a Bulgarian irrigation engineer for the vegetable project, sincerely and confidently said that he came here to respond to the spirit of proletarian internationalism in actual practice. When he looks at the history of his nation and Laos he can say that they are not much different. The struggle in Laos and Bulgaria is similar. Working here is real friendship. Even though this project is new, our fraternal Lao will be able to accept and effectively carry out this work.

Besides the 100 hectares of the vegetable project the Bulgarian experts also helped to survey and do soil testing on an additional 800 hectares of the plain area where now over 600 hectares have been completely surveyed, to participate and to press forward in the vegetable project in Settlement 23 Venukham, the Na Phok seed-producing center; additional research will also be done in the use of irrigation systems, flood prevention techniques, and research concerning the transformation and improvement of large canals to strengthen the current so that it can push the water further into any area.

Also, the settlement chief added that in the long-term plan additional pumping systems will be installed in order to have water for year-round production. The construction of the settlement, places for cadres to stay, and cold storage for 50 tons of vegetables at one time are being studied and designed, and this construction will start in early 1983.

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CSO: 4206/6

FURTHER REPORTAGE ON U.S. POW/MIA DELEGATION

Vientiane SIANG PASASON in Lao 18 Sep 82 pp 1, 3

[Article: "Visit of U.S. POW/MIA Family Delegation to Laos"]

[Text] On 13-16 September a delegation led by Mr George Brooks who represented the U.S. mass organization of U.S. POW/MIA families of those who disappeared during the war visited Laos in order to improve good relations between the Lao and Americans.

During the visit, besides visiting Mr Khamphai Boupba, acting Minister of Foreign Affairs, and Mr Meun Somvichit, chief of the National Social Welfare and Veterans Committee, the delegation met and had discussions with representatives of the Lao veterans led by Lieutenant Colonel Khamal Keophithoun, Secretary of the Ministry of Interior. On this occasion the Lao pointed out to the delegation that the direction and foreign policy of the LPDR are peace, independence, friendship, and nonalignment. They emphasized the responsibility of the U.S. government for the harmful effects of the war they had provoked, and talked about the good intentions and humanity of the Lao government and people towards the U.S., which is clearly shown by the returning of all U.S. POWs before the U.S. asked them to do so. Moreover, they gave the remains of 2 U.S. personnel who lost their lives, and they will continue searching for U.S. personnel according to the situation and the ability of the Lao people. The Lao government and its people sympathize with the American people and the American families of those who lost their lives in the war, and share their feelings and sorrow with the Americans who were victims of the war as well as the Lao people as a result of the U.S. government's deeds. Once again, in order to confirm its humanity the Lao government and its people facilitated things for the delegation in every way while visiting Laos; for example, they brought the delegation to see the site of the plane crash in Champassak Province where the U.S. soldiers lost their lives.

The delegation of American families praised the good intentions, friendliness, and humanity of the Lao government and its people toward the delegates as well as towards the people of the U.S. Meanwhile, they promised to bring such feelings and the actual situation in Laos to people in the U.S. so they will learn the facts in order to find ways to make the U.S. government have a correct [attitude] toward the LPDR.

The U.S. Charge d'Affaires in Laos joined all of the activities of the delegation, and also recognized in the same way as the delegation the good intentions and all the conveniences the Lao provided to the delegation.

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CSO: 4206/6

TRIBAL MINORITY EDUCATION PROBLEMS, DEVELOPMENT NOTED

Vientiane SIANG PASASON in Lao 20 Sep 82 p 3

[Article: "Hom District Teacher Training School"]

[Text] Hom is a mountainous district in Vientiane Province. Previously its people were illiterate, and if they were literate there were very few of them because it is a remote district and consists of many minority nationalities who settled along the plateaux and valleys. It is hard for them to go back and forth to see each other. The most important problem is to assign teaching cadres from other localities to teach in this locality.

Therefore, to solve this problem the administrative authorities in cooperation with the district educational service and the people of all nationalities decided to build this school, the first one, in 1979-1980, and named it "Nationalities' Teachers' Training School". This teachers' training school is really as good as its name. It gathers children of the people of all nationalities and races in almost all villages and cantons in this district to receive 2 years of training per group; then they are sent back to teach in their own villages or the localities of their own nationalities and races. This is a good way to solve the village teacher problem. Now there are teachers and schools in almost all the villages in Hom District.

Concerning this problem Comrade Lo Vangteuy, director of the school mentioned, gave his views that this school establishment has the most significant meaning for the lives of our nationalities. It can be compared with bringing the light into the mountainous areas. From the day the school was set up to now, it has produced 131 teachers. This includes 47 teachers in the first group, 46 teachers in the second group, and 38 teachers who have just finished.

This school is located on the bank along the clear and cool Long San [River], a place where the people are diligent in cultivation and animal husbandry, where there is beautiful and healthy green vegetation because of the dark and moist soil, cool weather, and because the new people have diligently built it up with their hands.

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CSD. 4206/6

GARMENT FACTORY WAGES, FOREIGN TRADE LINKS REPORTED

Vientiane HENG'NGAN in Lao 1-15 Aug 82 p 6

[News Column by Vatthana Thavisai: "An Interesting Doll House"]

[Excerpts] Many people customarily call it a "doll house," but its official name is "Vientiane Garment Factory." I was determined to find out about this doll house, as it was said that they were all beautiful dolls. There are Lao skirts, blouses, cloth and other goods of many kinds and colors made with our true Lao creativity, impressively decorated for the guests.

[Mrs] Manivan Khaikhamphithoun, the factory director, was sitting on the deck. On seeing me she welcomed me with a friendly smile. She said, "you are here on time, please have a seat." After I told her of my intentions she agreed because both sides had already made the arrangements. She was ready to bring out several outstanding workers for me to interview. While waiting for the interviewees to come she told me that this Vientiane garment factory or the doll house previously belonged to capitalists. After the country was liberated in 1975 it was transferred to government ownership under the Industry and Trade Service of Vientiane capital on 26 December 1976. At first there were approximately only 20 workers, mostly women. As we know, during the old regime the living standard of these factory workers was a hand-to-mouth situation, people just being able to make ends meet. Nowadays, however, there are more than 70 people here, and the best standard of living is guaranteed. Our production section is now divided into 7 work units: dyeing, spinning, research and design, pattern weaving, looms, clipping, and doll sewing. In our factory along with the attentive mobilizing for production, we have determinedly arranged for the welfare of our workers. Now we have doctors to examine their health periodically. We have a nursery, and have set up a food shop serving lunch to the workers that costs only 3 kip, which is a very low price. We have 3 fairly well established mass organizations especially the trade union organization that together set up a treasury and different fund raising activities to support the food store's lunch service. The trade union also mobilizes to set up socialist emulation among workers within the factory.



Nowadays the maximum income of a worker is over 1000 kip; the minimum is over 500 kip. The overall average a person receives is 700-800 kip per month. Besides this, the board of directors also gives the workers some raw materials to weave in their homes. This enables them to increase their income over 400 kip per month. When there is illness or someone gets married we help them as best we can. For production we not only mobilize and guide them to produce based on the plan, but we encourage them to produce above the expected level. Besides producing within the plan they may also have contracts from the outside as they please. On the average they are able to expand their ideas creating 7-8 new clothing pattern designs per month. Mostly they redesign patterns primarily from old fashioned ones, and then express them in new ideas. Some produce half old fashioned, half modern, such as western style shoulder strap handbags, decorating them with a pattern for the edge of a Lao skirt as a symbol of Lao products. If we calculate the total amount of production in only 3 months, it is almost 3 million kip which exceeds the plan by 50 percent. Our products are popular not only among the Lao people but also among foreigners. Many fraternal socialist countries have discussed with us the possibility of buying products from our factory. In early 1981 we signed an agreement with the USSR worth a total of over one million kip. In 1982 we signed an agreement with Hungary worth 4.2 million kip. On the occasion of opening the Third Congress of the LPRP not long ago we put our efforts into night and day production in order to produce gifts for the congress. There were 45 sets of table cloths, 120 cloth bags, 40 Lao skirt edge patterns, 21 Lao skirts, 1 piece of cloth to decorate and praise the congress, and 100 framed pattern designs. They also made some gifts for a number of foreign guests who attended the congress. Mrs Manivan Khaiphithoun added that she was most proud to see the products heavily produced to satisfy the masses in Vientiane Capital as well as foreigners. She said this achievement came from the guidance and leadership of the provincial party committee, especially the Vientiane City and Province Industrial and Trade Service.

Before leading the Vientiane Garment Factory, I ordered a wedding dress with an outstanding pattern from Mrs Manivan Khaikhamphithoun, the factory director.

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CSO: 4206/5

TRADE UNION ROLE IN GOVERNMENT, PLANNING NOTED

Vientiane HENG NGAN in Lao 1-15 Aug 82 p 2

['Study of Trade Union Problem' Column: "Relationship Between Trade Unions and Government Organizations"]

[Text] Part V. After the successful revolution and the establishment of administrative power, the relationship between trade unions and the government administration has been one of cooperation and united struggling together for the same goal. Trade unions are very efficient and the closest colleagues of the government, which they strongly and determinedly support. They are an unshakeable shelter for the socialist government.

The relationship between trade unions and the government is a main principle of socialist revolution. Both the labor unions and the government carry out the same overall tasks, i.e., to victoriously turn industry into socialist industry. Therefore, they must be united and must cooperate closely in all activities. Government organizations directly control the economy and industry, aiming firmly at trade unions, and endlessly reinforce the determination of the masses. In order to effectively manage the trade unions, it must be those who join with the government [who] truly cooperate in economic and industrial management.

In the evolution of socialist construction, trade unions are responsible for the actual work assigned by the government that gradually increases in amount. Government organizations must wholeheartedly assist trade unions so that they can effectively carry out their responsibility. The trade union movements in many aspects of government work must be considered important.

Each type of work involving trade unions and government organizations must be made into laws so that different levels of the administrative authorities as well as the trade unions will strictly carry them out.

Different levels of trade unions represent workers and state employees in the meetings of the same-level administrative organization to discuss the design and implementation of the government plan (e.g., the design and implementation of production projects to be consistent with principles, to participate in setting up and carrying out the labor quota, and to discuss

policies related to the duties, rights, and benefits of workers and government employees, putting some money into the treasury, spending the treasury money for awards and for the rights and public benefits in the factories, for living conditions, social insurance, health, vacations, recreation, day care, work safety, culture problems, mass literature, and sports for cadres, workers, and government employees); to participate in the assignment, promotion, and salary increases, commendations and disciplinary measures, representing workers and government employees in protecting rights and benefits of workers and government employees in case of disaster.

Trade unions represent workers and government employees and take part in managing factories and signing group agreements with the factory directors. The government factory directors must regularly report the production situation and the carrying out of the labor system to all workers and government employees (the meeting of workers and government employees is conducted and hosted by the labor union, and the content of the meeting is a basic agreement signed by the factory director and the trade union).

The relationships between the factory director, the trade union, and trade union cadres respond to what is necessary so that the trade union can move appropriately.

The development and carrying out of the government plan, policies, and laws concerning the central trade union may aim at the needs of the working masses in order to propose that the government revise policies and laws that are already in effect, and declare new policies and laws. Different levels of local trade unions and the central trade union are responsible for discussions with the same level of administrative authorities in order to set out the details and the appropriate ways to carry out the policies and laws of the government within the localities and service areas of responsibility.

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CSO: 4206/5

## BRIEFS

**SAVANNAKHET ELECTRIFICATION**--In order to steadily supply electricity for production and light to the people throughout the city areas as well as in rural areas, from the beginning of 1982 until now cadres and workers of the Savannakhet Province Electrification Branch have raised the workers' spirit to actively carry out their work to expand electrification to serve local production. The actual results were the successful wiring of low-voltage electricity into Atsaphangthong District with five 220-380 volt lines and the use of a total of 16,200 meters of electric wire; a total of 72 poles were installed, and they successfully installed 2 generators earlier than expected. Each generator can produce 60 kilowatts of electricity. They wired 22 kilovolts from Ban Pakbo to the Tha Sano water pumping station which is 3,800 meters, installed a 160-kilovolt electrical transformer to bring electricity to the government rice mill in the Ban Nake area. They expanded 22-kilovolt electric wiring, and also succeeded 100 percent in setting up a 160-kilowatt electrical transformer for Ban Nake irrigation, and many other installations. Now the electrification workers in the province are trying to score big achievements a lot more than before, in order to ensure the victorious achievement of the second six-month plan. [Text] [Vientiane SIANG PASASON in Lao 22 Sep 82 pp 1, 4] 9884

**UNHCR AID DISTRIBUTION**--Last August the Lao Red Cross brought material assistance to give to the National Blood Donation Center, Vientiane Capital Red Cross, and the Champassak Province Red Cross for medical use and to be given to the people who are in need. The material assistance included medicine, 3,000 sacks of blood, 20 tubes of (anti A) serum, 20 rubes of (anti B) serum from the UNHCR, 8 first aid kits from the Indian Red Cross, 1,000 pints of blood from the Japanese Red Cross, and some winter clothing from the Swiss Red Cross. Moreover, from March 1982 to date the Lao Red Cross also gave out powdered milk all over, and gave many tons of powdered milk to many different regional nurseries throughout Vientiane Capital. Meanwhile, they are continuously helping those who faced disastrous fires on 10 occasions. For these they gave out assistance once through the National Social Welfare and Veterans Committee, and 9 times through Vientiane Provincial Welfare. [Text] [Vientiane SIANG PASASON in Lao 16 Oct 82 pp 1, 3] 9884

MARKET PRICES IN SARAVANE--The Saravane market is not a big one but it is full of inexpensive consumer products. We asked the prices of items, and found, for example, 25-30 kip per chicken, 30-35 kip per mandarin duck, 18 kip per kilogram of pork, 1 kip per frog, k kip per chicken egg, 40 kip per wild rabbit, 30 kip for one wild chicken, 1 kip for a cup of balck coffee, 2 kip for a cup of coffee with milk, 6 kip for a bowl of noodle soup, etc. [Excerpts] [Vientiane NOUM LAO in Lao 1-15 Jul 82 pp 4, 5] 9884

UNICEF AIDED PROJECT--Mr Phou Latsaphon of the staff section of the Ministry of Education, Sports, and Religion and the leader of the delegates of this Ministry along with Mr (Kotam), the representative of UNICEF in Laos, inspected the teachers' training school in Ban Keun, Thoulakom District, Vientiane Province on 4 August 1982. This school is a one-storey wood building with zinc roofing and a cement floor. It is 23 meters long, 8 meters wide, and consiste of 4 classrooms. Now 80 percent of the 3 months construction plan which started on 12 May 1982 is completed, and it is expected to be completed at the end of August. Construction has been carried out with funds from the Ministry of Education, and with assistance in a number of construction materials from UNICEF. During the inspection of the actual work Mr Phou Latsaphon and the UNICEF representative also noted detailed conditions and the indispensable needs of the school in order to look for ways to improve it further. Mr PHou Latsaphon and Mr (Kotam) were warmly welcomed by the school's board of directors and by the local administrative authorities. [Text] [Vientiane SUKSA MAI in Lao Aug 82 p 4] 9884

CSO: 4206/5



FINANCE MINISTER SPEAKS ON 1983 BUDGET

BK260246 Kuala Lumpur NEW STRAITS TIMES in English 23 Oct 82 pp 12, 15

["Text" of Finance Minister Razaleigh Hamzah's budget speech--date and place not given]

[Excerpts] I wish at the very outset for this year's budget speech, to review the international economic performance for 1982 and the prospects for 1983 together, as the international recession is expected to continue for the whole of this year and at least into the early part of next year as well.

As the honorable members are aware, the world continues to be in recession. Indeed, the international recession has worsened much more than the industrial countries themselves expected.

Our present estimates now indicate that the Malaysian economy will expand by about 3.9 percent in real terms for the whole of 1982. This is well below the gross domestic product growth of 7.2 percent that we had estimated, on the basis of the 1982 budget's countercyclical measures.

Consumer prices, on the other hand, are estimated to moderate at a slower rate of about 6.5 percent, which is a creditable achievement considering the high international inflation. We have done much better than in 1974 when the consumer price index rose sharply to 17.4 percent and in 1975 when our economic growth actually declined by 0.8 percent in real terms.

However, the international recession has severely affected our exports in 1982--both in terms of volume and prices. The balance of trade is, therefore, expected to show a large deficit of over \$2.4 billion in 1982.

In addition to this, we also have to pay substantially for services rendered by foreign countries, particularly in shipping and travelling. The current account is therefore expected to show a large deficit of \$8,649 million.

Since the prices of our major export commodities have continued to remain depressed, our budget revenues have also continued to decline. The government therefore decided to take resolute pre-emptive action to protect the Malaysian economy against the onslaught of the worsening international recession.

True to our traditional style of pragmatism and prudence in fiscal management, we decided to restrain expenditure expansion, so as to weather the adverse recessionary effects on the budget even more effectively.

Thus, the operating and development expenditure allocations in 1982 were reduced by about \$3,489 million in the middle of this year. This was done after very careful consideration, in order to ensure that the priority sectors, especially those pertaining to the achievement of the new economic policy objectives, were not adversely affected.

At the same time, the government has undertaken the necessary measures to ensure that government spending is more strictly controlled and maintained at the lowest possible level.

For example, the government has undertaken a review of its manpower needs and decided to freeze the filling of vacancies and the creation of new posts in all categories of the public service, especially those in category d, except for the most essential ones.

The government has also minimised expenditure on transport and travelling and has confined the holding of meetings, seminars and conferences, wherever possible, to government premises.

The use of such utilities as electricity, water supply, telephones, stationery, furniture, equipment and other office supplies in government departments have also been curtailed.

Consequently, the 1982 budget will now turn out to be very different from the original estimates. The budget's operating estimate of \$17,319 million is now expected to be reduced to \$16,185 million.

Budget revenue is now estimated at about \$16,434 million compared to the 1982 budget estimate of \$17,683. This will give a small budget surplus on the current account of about \$249 million, as compared to the original 1982 budget estimate of \$364 million.

Furthermore, we have carried out a careful review of our development expenditure allocation for 1982 according to priority and in such a way that it has been possible to reduce the original allocation from \$14,632 million to \$12,881 million.

Indeed, the 1982 budget would have recorded large deficits if not for these expenditure restraints.

The honorable members will appreciate that these decisions to reduce budget expenditures were difficult. They had, nevertheless, to be taken, so as to cut our coat according to our cloth.

We will continue to exercise strict financial discipline, especially during these difficult times of international recession.

We would have taken the easy way out by borrowing even more, to maintain higher levels of operating and development expenditures in 1982 but we did not want to do so, as this would have led to more acute financial and monetary strains, not only during this year but for next year as well, and indeed for as long as this recession lasts.

I have indicated earlier that the international economic prospects for 1983 are expected to be better than this year. However, there is still considerable uncertainty.

In any case, any sustained economic recovery will only be gradual and occur in the latter, rather than in the earlier part of next year. A great deal will depend on what the industrial countries will do to improve the international economic situation. We cannot, however, depend on and wait for the industrial countries to take effective initiatives.

We will have to do what needs to be done by ourselves--to ensure that we achieve our socio-economic objectives--within the framework of our limited financial resources.

We would have liked to be strongly expansionary to overcome the adverse effects of the international recession. This we can do if we are absolutely sure that the world economy will recover strongly enough next year. But this is something we cannot really be certain about.

We will therefore have to continue to adopt, as we have always done, a cautious and pragmatic approach in the management of our economy. We have seen recent examples of many industrial, as well as major developing countries, that have been severely shaken to their foundations by the global recession.

We want to be careful not to get anywhere near this kind of precarious situation.

At the same time, we cannot afford to cut back too much on government expenditures, especially on our socio-economic development. We have to continue to provide the basic government facilities and services, especially to the lower income groups, to protect them as far as possible from the economic difficulties brought about by this international recession.

In the circumstance, the government can only incur expenditures consistent with its financial resources.

Since we must and will exercise prudence in our domestic and foreign borrowing, we will have to depend more on the government's own fiscal capacity to finance its services and its socio-economic development programmes, and at the same time safeguard the security and defence of our nation as well, for the benefit of our people.

We will ensure that the private sector will not be denied adequate access to the domestic banking system. This will enable the private sector to play a more dynamic role in complementing the government's efforts to stimulate economic growth.

We will continue to tap the international capital markets, but here again our financial prudence will dictate the limits. This is necessary to maintain the high credit standing that we enjoy and the strong business confidence and favourable investment climate that is our proud tradition.

Having taken all these factors into consideration, the government's overall budget strategy for 1983 will be to:

Consolidate and strengthen the federal government's financial position in line with available resources;

Improve and strengthen the underlying balance of payments situation; and, Maintain a satisfactory rate of economic growth with price stability.

To consolidate and strengthen the federal government's financial position, the 1983 budget expenditures will be generally restrained to strike a proper balance between the need to maintain a strong budget and price stability.

Thus, I propose to appropriate a total of \$28,749 million for the 1983 budget. This will comprise \$17,079 million or 59.4 percent for operating expenditure and \$11,670 million or 40.6 percent for development expenditure.

About 10.7 percent of the operating expenditure or \$1,819 million, is provided for economic services and 26.2 percent or \$4,472 million is provided for social services.

About 29 percent or about \$4,955 million is intended for fixed charges, such as pensions and public debt, while security and defence will be provided with about 17.5 percent of the operating expenditure or about \$2,994 million.

The development budget will continue to accord the highest priority to the economic sector, which would include major allocations for agriculture, land development and drainage and irrigation. Thus, more than half of the development expenditure i.e. about 52 percent or \$6,086 million, will be provided to the economic sector.

Another important priority sector, the social sector, which includes education and health, will be provided with about \$2,522 million or about 21 percent of the total development expenditure. Education and health will, in fact, get increased allocations over the revised 1982 development expenditure.

A sum of about \$189 million has been allocated for health programmes.

As a revenue measure, I propose to increase the rate of sales tax from 5 to 10 percent. This tax currently affects only about 25 percent of the goods imported and produced in the country.

The balance of payments is expected to continue to remain under strain in 1983. However, with the coming on stream of liquified natural gas exports next year as well as the increase in crude oil production and exports, the merchandise account is expected to show an improvement over 1982 with a small surplus of \$99 million in 1983.



The service account will continue to show a large deficit of \$6,691 million, compared to a deficit of \$6,093 million in 1982. Consequently, the deficit in the current account is expected to continue to be large in 1983, amounting to \$6,670 million.

The overall balance is, however, projected to show a smaller deficit of \$237 million compared to this year, due to strong long-term capital inflows.

Thus, net external reserves are projected at a level of about \$9,000 million, which will be sufficient to finance about 4 months of retained imports.

Under agricultural development, a sum of about \$177 million is proposed to be allocated to implement the various integrated agricultural development projects or IADPS as a concrete measure towards increasing the productivity and incomes of farmers.

The government will continue to provide subsidies in order to restrain price increases for essential foods and commodities and to provide the incentive to increase food production.

Thus, a sum of about \$1,237 million is provided in the 1983 budget to cater for subsidies for such items as diesel and petroleum products, purchase price of padi and fertilisers. The largest allocation is for the subsidy of diesel and petroleum products amounting to \$750 million.

The subsidy for the purchase price of padi amounts to \$180 million. As an effort to reduce the costs for padi planting and to increase its productivity, a sum of \$90 million is allocated for the subsidy on fertilisers, which is expected to benefit about 365,000 farm families.

Over the past 2 years in particular, I have observed that businesses and manufacturers who import, have gained considerably from the continuing strength of the ringgit in the face of global inflation.

Yet, such benefits are seldom passed on to the consumers. Since the beginning of 1981, the ringgit has appreciated by 31 percent against the pound sterling, 33 percent over the Japanese yen, 20 percent vis-a-vis the Deutschmark and nearly 13 percent compared with the Swiss franc.

Most glaring have been the prices of goods from Japan and Germany, where inflation has been low for the greater part of this period. Yet, the prices of consumer goods imported directly or based on components from these countries have continued to rise at a time when they should have fallen significantly.

It appears to me that our distributive system has become increasingly more inflation biased. We shall need to change this. And this we shall do if competitive forces in the private markets remain grossly imperfect, to the detriment of our consumers.

In order to maintain and promote economic growth particularly in the private sector, programmes under the transport sector will be given priority with an allocation of \$1,973 million.



This includes \$823 million for roads and bridges, \$555 million for ports and marines, \$310 million for railways and \$275 million for civil aviation.

A sum of \$461 million is provided for communication programmes which include \$438 million for the provision of additional telephone lines and telex facilities.

Honorable members will agree that, unless we can protect our national sovereignty and independence which is even now being threatened by internal and external enemies, our economic development and achievements could be seriously jeopardised.

Furthermore, private investment can only expand within a climate of business confidence, which in turn can only be assured through a sustained sense of security. Defence and security will, thus, be allocated a total of \$2,483 million or about 21 percent of the development expenditure.

I want, however, to also assure honorable members that the government is conscious of the need to balance government spending on both socioeconomic development and security, and that neither sector will be allowed to get more than its fair share of total government expenditures.

The economic prospects are generally expected to be better next year. With the strong backing and mandate from all sections of our society, we expect the Malaysian economic performance to improve next year. The gross domestic product is estimated to be about 4.9 percent in real terms.

The balance of payments merchandise account is estimated to register a small surplus, after being in deficit for the last 2 years. The budget current account will also continue to remain in surplus, despite the recession.

However, our economic growth could be even higher if the global economy performs better than currently expected.

Further reductions in the international interest rates to more reasonable levels will definitely encourage the private sector to take greater initiative to expand.

The construction industry, in particular, would then be able, with stronger government backing, to grow much faster. These positive developments could then enable the Malaysian economy to recover even more strongly to attain a growth rate of about 6 percent in real terms in 1983.

The 1983 budget strategy has been designed to help strengthen our economic resilience and counter the adverse effects of the international recession. The significant tax efforts that I have proposed, reflect our will and determination as an independent and sovereign nation to draw more upon our own national strength and to rally the support and cooperation of all our people round the banner, to face the present difficulties and, indeed, to face the future more resolutely with greater self-reliance and self-confidence.

The measures embodied in this budget will also contribute to the realisation of our national aspirations to build a more equitable and united nation. Those who can afford will be contributing more towards protecting the interests of the less fortunate through the more equitable sharing of the burden of recession.

In this way, we will all be able to put our shoulders to the wheel to ensure that the Malaysian economy will continue to be strong. The economy will then be able to successfully sail through this rough recession and be better prepared to gather momentum and move ahead, when international economic recovery really takes place.

The government has taken the necessary initiatives and made some hard decisions in keeping with the pragmatic style of the Barisan Nasional [National Front] government in dealing with our problems. As honorable members are aware, we have always strived to do what is best for our country and our people, regardless of considerations of popularity.

When times were better we could afford to be more relaxed and generous. Now, with the difficult times brought upon us by the world recession, we have to do what needs to be done, without flinching.

We are grateful to God for His guidance and protection against greater setbacks that would have befallen our country and our people resulting from the world economic recession.

With the loyal support of all our people, from all walks of life, we shall overcome our present problems. I have great faith in the genius of our people, in our capacity for innovation, inventiveness and higher productivity.

Under the determined leadership of the Barisan Nasional government, I have no doubt that, God willing, these inherent qualities of our people will blossom forth and make their mark in our quest for a greater and more abundant future.

CSO: 4200/53

## MALAYSIA

### TOPICS FOR GHAZALI'S ROK VISIT REPORTED

BK271531 Hong Kong AFP in English 1020 GMT 27 Oct 82

[Report by Nug Nair]

[Text] Kuala Lumpur, 27 Oct (AFP)--South Korea's proposal for a Pacific nations summit will be explained at length to the Malaysian foreign minister, Tan Sri Ghazali Shafie, who is leaving for Seoul tonight on a 3-day visit.

President Chon Tu-hwan, who mooted the idea earlier this year, looks forward to getting positive support for the proposal from Malaysia and other Association of Southeast Asian Nations (ASEAN) countries, according to the South Korean ambassador here.

The ambassador, Mr Choe Ho-chung told AFP today that the proposal sought to create a consultative mechanism under which top leaders of the Pacific rim countries could discuss problems of mutual concern and expand cooperation. The first summit could be followed by similar consultations periodically in different capitals.

He said that the president, in making the proposal, felt that the time had come for the leaders to participate jointly in the creation of a "great Pacific age" to promote peace and prosperity in the region. Summit level consultation would be the most effective way to overcome the obstacles and challenges that stood in the way of realizing the "Pacific age."

The ambassador noted Malaysia's stand, expressed by the Prime Minister Dr Mahathir Mohamad, last week that "before anything positive is done, the countries concerned should study the proposal very carefully."

Mr Choe said that the Malaysian foreign minister would have the opportunity of full discussions with his counterpart in Seoul, Mr Yi Pom-sok, during his 3-day stay in the Korean capital. Tan Sri Ghazali will also call on President Chon Tu-hwan.

Mr Choe said that the initial reaction to the proposal of Malaysia, which was similar to that of Indonesia, was satisfactory and as expected.

Malaysian Foreign Ministry sources said that a lot of things were vague about the proposal at present.

The Pacific rim touched a large number of countries, embracing such nations as South and North Korea, the United States, Japan, the Soviet Union, China and small Pacific island nations with differences in political outlook, ideology and levels of development.

The South Korean view appeared to be that the ASEAN countries would have a decisive say in choosing the list of summit participants.

Mr Ghazali's discussions in Seoul would cover regional problems including the latest developments in regard to Cambodia.

He would seek South Korean support and assistance for President Sihanouk, whose Democratic Kampuchean coalition government secured a massive majority in the UN General Assembly for its continued seating in the world body.

The South Korean leaders are expected to explain to Mr Ghazali their proposal on reunification of the divided peninsula.

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## MALAYSIA

### BRIEFS

MAHATHIR IN PAPUA NEW GUINEA--Datuk Sri Dr Mahathir Mohamed has arrived in Papua New Guinea [PNG] for a 2-day official visit. On arrival, the prime minister and his wife were received by his counterpart, Mr Michael Somare. The prime minister's visit immediately after the commonwealth regional meeting in Fiji is to reaffirm friendship between the two countries. He said that Malaysia places special interest in PNG because of its observer's status in ASEAN. It is also a special link in developing a meaningful communication between members of the Pacific forum and ASEAN. Malaysia feels the two countries share many similar ideals and aspirations in meeting the challenges of national development. Several areas of bilateral cooperation are expected to be identified during the visit. A Malaysian spokesman says that PNG is seriously considering establishing diplomatic representation in Malaysia. [Text] [BK190926 Kuala Lumpur International Service in English 0800 GMT 19 Oct 82]

CSO: 4200/53



## MORE ADB ASSISTANCE PLANNED

Kathmandu THE RISING NEPAL in English 22 Oct 82 p 1

[Text]

Mr. Masao Fujioka, the president of the Asian Development Bank, Thursday morning said more financial assistance from the Bank was on the pipeline as it was "very easy to assist" Nepal develop the priority sectors of agriculture and water resources.

He explained at a press conference before leaving for Dhaka, Bangladesh, that this was so because the Bank was in "full agreement" with His Majesty's Government regarding many important policy issues such as the priority accorded to the development of the two sectors.

Mr. Fujioka said that although total quantum of assistance expected from the Bank could be known only after the preparatory designs were completed, irrigation development in the hills, science teaching in the secondary schools and the energy need for the paper industry were some of the projects under consideration.

The Manila based Bank

has increased its lending to Nepal providing about 45 million US dollars in 1981 compared to the first year lending of 6 million US dollars in 1969. This brought the total Bank lending to 264.9 million US dollar in 1981.

The large share of the total Bank lending has been provided to the agriculture and rural development sector (46.8 percent), followed by energy (20.9 percent), transport (15.8 percent), industry (14.9 percent), and social infrastructure (1.6 percent).

In addition, the Bank's technical assistance of 16.83 million US dollars for the 49 technical assistance projects approved to date reflects similar priorities. Eleven of the technical assistance grants have resulted in Bank loans of 114 million US dollars.

"Our task is to help develop the Asian countries which have the strong will, aspiration and determination

to develop the national economy but the main role should be of the country itself," said Mr. Fujioka.

He expressed some worries regarding the delay in project implementation but said he was "very encouraged" to learn that policy decisions were taken to speed up the implementation with encouraging results already being experienced.

The ADB president advocated what he called the "promotion of policy dialogue" which basically aimed at finding "constructive solutions" to improve procedures for ensuring effective implementation of the project.

Regarding Hetauda Cement Factory, he said the project was very important and therefore should be implemented as soon as possible. As for the overrun cost, he said trilateral effort including Nepal, the ADB and co-financing agencies was well under way.

The ADB president and his wife left here today for Dhaka, at the completion of three day visit to Nepal. (RSS)

# SETTING UP OF PAKISTAN-CHINA JOINT COMMISSION LAUDED; BRIGHT HOPES EXPRESSED

Karachi BUSINESS RECORDER in English 21 Oct 82 p 2

[Text]

With the setting up of a joint commission, cooperation between Pakistan and China in the fields of economy, science, technology and culture has been, as President Zia-ul-Haq said, institutionalised. Though the relations between these two countries have always been very cordial and kept on expanding with the passage of time, cooperation has been taking place on ad hoc basis. As the situation demanded, the two countries made arrangements to meet each other's requirements. As such, even in the absence of any institution, there has never arisen any difficulty in getting things done. On the contrary, things moved at the desired speed and the two sides have never had any complaints. This has been the result of the very cordial and warm relations which have existed between the two all along. Pak-China friendship is now being quoted internationally as a model of cordiality between countries having altogether different political and economic set-up. This difference has never

come in the way of expansion of relations in all the fields. It was China whose active cooperation enabled this country to enter the field of heavy mechanical engineering. The huge complex working in Taxila, is a living monument of the type of friendship the two countries have. This complex is the first big step towards achieving self-reliance for which we have been making frantic efforts all along. We are now making big industrial plants in the Heavy Mechanical Complex of Taxila, including cement, sugar, etc. It is by all means a great achievement which has been made possible only because of China's assistance. This has actually resulted in the transfer of technology in which respect our western friends have always been rather miserly besides being expensive. At his press conference in Beijing the other day, President Zia has also acknowledged this fact and thanked the Chinese friends.

It is heartening to see that the joint commission is being assigned ministerial status.

Besides reviewing the progress on the implementation of protocols signed in specific fields, the commission would also assess and propose further expansion of co-operation and draft new protocols which to be signed by the two sides. Institutionalising the existing cooperation would greatly help in meeting the long term requirements, particularly at a time when this country is getting ready to launch its Sixth Five-Year Plan. It would be in the fitness of things to assess what and how much assistance would be needed for the implementation of the plan and to what extent our Chinese friends can help us. Above all, the decisions taken by the commission would be immediately implemented because of the level at which these decisions would be made.

As regards trade, it has been consistently expanding. It was started on the basis of barter, but now with China becoming a member of the IMF, the trade will be conducted on normal

basis. In view of the understanding which exists between the two, this change would not have any adverse effect on the expansion of trade relations. On the contrary, it is bound to increase. The prospects of further expansion in the exchange of goods and services between the two countries have, as a matter of fact, brightened with the setting up of the ministerial commission.

There is no denying the fact that as a result of the personal contacts between the leaders of the two countries, which are still in progress in Beijing, they have come still closer. The fast developing economic relations between these two important countries of the region are bound to strengthen the forces of peace and stability. Viewed in this context, the present Chinese tour of President Zia has assumed added significance. It may also contribute in speeding up the process of normalisation of relations with India and in finding a political solution of the Afghanistan issue.

## MAHBUBUL HAQ ON NEW SOCIO-ECONOMIC ORDER

Karachi BUSINESS RECORDER in English 21, 22 Oct 82

[Article by Dr. Mahbubul Haq]

[21 Oct 82 p 2]

[Text]

In a country where honest intellectual debates on the critical issues of national development are a rarity, I take it as a unique opportunity to invite all of you through the forum and the entire nation—to engage in a national debate on the Sixth Five-Year Plan.

A development plan affects the life of all individual—at least, it must—and, therefore, it cannot be regarded as the private property of any government. For once, let there be a free exchange of ideas on the economic and social issues facing this land of ours. And let no one doubt that we are listening—and listening very carefully—and that we have the necessary will to be guided by those who share an honest concern with the future development of this country, so let a clear message go forth that development planning is too important an exercise to be left to national planners alone, the whole nation must participate in it.

The aims of planning and economic policy in most developing countries are not all that dissimilar. Each and every one of us would like to see a plan embody large strides along the paths of economic growth, socio-economic welfare, and self-reliance. Many would also entertain the hope that these paths should not contain any hardships of taxation and

inflation, and even the policy makers contrary to the popular belief, do not take a sadistic pleasure in imposing sacrifices on a complaining nation. Development without tears has been a day dream of many nations—but, unfortunately, it has remained just that, a day dream. Development involves choices, tough choices, some cruel alternatives, balancing of many competing claims, and there is no way—no way whatsoever—that these choices can be avoided. It is to a discussion of these critical choices to which I invite you today.

I have often been asked what kind of development strategy we intend to pursue in the Sixth Plan. And I have just as readily replied that our development strategy must combine a strong production base with a strong social conscience.

This is not a mere slogan, this is not a catchword, this is not to evade the real issue. This is, in fact, the essence of the whole development debate. Like other developing countries, the Pakistan pendulum has swung far too violently from growth to distribution and back again, at different stages of its development. As a nation, we simply cannot afford these violent swings of the pendulum. We simply cannot afford the luxury of creating growth in one decade to distribute it in the next. This will not respond to the national aspirations. Nor will this be a very realistic strategy. The real challenge today is to



bring the policies of growth and distribution close together, and they can be brought together only if the general masses participate in production, employment and social services at all levels of society. In the final analysis, economic development will mean little to our people if it does not touch their daily lives.

### REAL CHALLENGE

Let me present a concrete example. We are presently exploring the feasibility of a six to seven per cent growth rate in gross domestic production in the Sixth Plan period. If we attain a 6.5 per cent growth rate in GDP, we can provide for the growth in population and still allow for an improvement of Rs. 800 per family per year, or about 20 per cent over the Sixth Plan period.

The real question is not whether such a rate of increase in family income is necessary. It is imperative at our level of poverty. Instead, the real question is how to ensure that all families equally share in such an increase. How to make certain that this increase is not for privileged few? How to enforce policies which will enable each family to obtain their increase of Rs. 4,000 per annum over the next five years? In fact, how to make sure that the poorer families get higher than this average amount and the richer ones get lower than this average amount? This is where the formulation of an incomes policy becomes necessary alongside the production policy.

There can be many elements in this incomes policy: There must be a rapid spread of production and employment opportunities to embrace all sections of the society. There must be greater emphasis on small farms and small industries and workers of small means everywhere. There must be indexation for the incomes of the fixed income groups, particularly urban middle class which is badly squeezed by the inflation. There must be social safety nets available for the poorest and the indigent. There must be a regular monitoring of the distribution of income in the country between various income groups, between rural and urban areas, between various economic sectors, so as to make timely corrections through the fiscal policy and other means.

This confronts us with the firm major issue in the national debate on the Sixth Plan. I invite all to give careful consideration to this ever present danger in many developing countries where the total production of a nation increases

without a corresponding increase in the economic welfare of its masses. We have witnessed an improvement in income distribution recently, thanks to fast expanding farm incomes, workers' remittances and introduction of Zakat. But we must debate seriously how economic growth is going to be distributed in future and through what policies, and how to manage all this without weakening production incentives. The answers are by no means simple or facile. This is one of the most stubborn issues in the national economic policy anywhere in the world. I will look forward to your ideas and thoughts on this question.

### MAJOR THRUSTS

Let me now take up some of the major thrusts that we envisage for the Sixth Plan, with the caution that any statement is not intended to portray a comprehensive picture of what the plan will contain. Irrespective of the fact that priorities may be assigned to one objective or to one particular sector. It is quite clear that advances have to be made on all fronts in the interest of balanced development. However, each plan makes certain departures from preceding ones in response to changing perceptions and requirements of the economic situation. It is to these new departures, new initiatives, and new perceptions that I would like to invite your attention. I am quite conscious that there will be many complaints that some important sector or policy theme has been ignored or omitted but that is an inevitable risk—and an entirely acceptable one—in any effort to be selective.

One of the principal objectives of the Sixth Plan will be to bring about a real transformation in our rural scene. Despite strong urbanization and industrialization over the last three decades, agriculture and rural areas continue to form the backbone of the economy. They provide one-third of GDP, one-half of total employment and the source of three-fourths of our exports, and over 70 per cent of our population lives in these areas.

It is a major lapse of our past development that so much remains to be done to ensure an even spread of development between rural and urban areas. In many ways, rural areas have slept through three decades of development. Only recently an accelerated increase in agricultural production has brought renewed attention to what is lacking in these areas by way of social services and

how much still remains to be done to open them up to economic development and to carry the centres of economic growth back into the heart land of our countryside.

### SOCIAL INFRASTRUCTURE

At present, the physical and social infrastructure are hopelessly deficient in our rural areas. About 75 per cent of the 45,000 villages in the country, and numerous small settlements, go without electricity. The rural road network contains less than one-fifth of the prescribed minimum of 0.64 km of roads per sq. km of area. Barely 20 per cent of the rural population is served with safe drinking water. Only a small minority of the rural primary school age children actually go to schools and female literacy hovers around the abysmal rate of five per cent. The outreach of the most elementary form of rural health manpower mission out 21 per cent of the population. Only 1,000 out of 7,800 doctors in the public sector at present serve in the rural areas.

It is our intention to give the first priority in the Sixth Plan to achieving a decisive breakthrough in the provision of physical infrastructure and social services to the rural areas. Indeed the foundations of the new strategy have already been laid in the annual plan for the current fiscal year wherein special programmes have been launched for rural areas for village electrification, water supply, farm to market roads, primary education and primary health care, small tractors, and other types of farm mechanization on small farms.

It is our intention over the Sixth Plan period to provide electricity to each and every village in the country, to double the network of farm to market roads, to raise the percentage of rural population served with clean drinking water from the present 20 per cent of the population to about 50 per cent, to increase the proportion of the rural primary school age children in rural schools from below 50 per cent to 75 per cent, to introduce a national rural health service (preferably on a voluntary basis, or compulsion if necessary) and to extend health facilities and basic health care to the entire rural population.

Such a rural transformation will be truly dramatic in its impact. It will be reflected in the daily lives of millions of our people. It will revolutionise our rural life. It will also support and accelerate an agricultural breakthrough and help



convert this country into a prosperous granary serving its own needs of self-sufficiency and also the export requirements abroad, particularly in the Middle East. Our villages will finally walk into the modern age. But let me be very frank. The rural transformation of this magnitude cannot be engineered by mere technological blueprints or through government actions alone. This must become a national movement. It must involve community participation. It must embrace an active role of elected local bodies, with enhanced development powers. The national debate on such a wholesale rural transformation must take place not only in intellectual forums like this, but not only in the national press, but in every village. In every hemlet under the shade of every tree by the village canal, in the confines of every local council. Planners and administrators alone cannot engineer profound social and economic changes.

It is for this reason that I believe that considerable development powers will have to be delegated to the elected local bodies in the next plan period—particularly, for primary schools, primary health care, farm to market roads and rural water supply. We are tentatively planning for ten per cent of the Sixth Plan to be spent directly through the local bodies in addition to the national efforts. Through this forum, I would like to invite all district councils to submit their five-year plans to the planning commission before the end of the year, on the basis of which we shall hold an intensive dialogue with them to determine local needs and priorities and to accommodate them as fully as possible Sixth Plan.

## AGRICULTURE

The programmes for the expansion of rural infrastructure will be continued with others designed to raise productivity and to encourage diversification in agriculture. One of the major initiatives in the Sixth Plan would be to engineer sizeable exports of food from Pakistan. Pakistan has been exporting about Rs. 50 to 100 crores of food in net terms with the to-

tal food exports, principally rice, in the neighbourhood of Rs. 600 crores, while food imports around Rs. 500 crores (principally tea, milk and oilseeds), it is our intention to try to increase these net food exports of around Rs. 50 to Rs. 100 crores at least ten-fold over the Sixth Plan period.

This is not unrealistic. I am not in the business of selling dreams. This can be done. We must replace our oilseed and milk imports gradually through expanded domestic production as well as greatly increase our exports of fruits and vegetables, livestock, poultry, and even flowers, which are presently less than Rs. 30 crores a year. We can readily find markets for these exports in the Gulf states. The real question is whether we can produce sufficient exportable surpluses, maintain quality control, arrange efficient marketing and keep a competitive position in the export markets.

I believe this is one of those national challenges—and, in fact, a natural opportunity—to which all of us must devote very careful thought. Pakistan has, definitely a comparative advantage in the production and export of food. In fact, there is a virgin field here where we can realize tremendous gains in the near future since the export markets are not over-crowded unlike the industrial goods where a protectionist curtain has descended all across the developed countries. But we need to debate many complex issues before we aspire to be a major food exporter. Let me list a few:

—In which commodity should we try to expand our exports? Our present analysis is that our main export potential lies in high value crops like fruits, vegetables, flowers, livestock, poultry, etc., which have been regarded, ironically, as "minor crops" so far and which must now be given the same attention and priority as the major crops received in the past.

—What kind of policies will produce an exportable surplus in food? It is quite clear that we will have to consider the same kind of support prices, research, high-yielding seed varieties and other support services for some of these high value crops which we have so successfully de-

signed for some of our principal crops in the last few years.

—How should the production be organised? Some of this production can take place on small farms with good marketing facilities and even state marketing boards to support them. Some, like livestock, may require corporate farming and corporate management with the introduction of both domestic private sector and some foreign multinationals. This is obviously a sensitive issue which requires a candid national debate.

## BALUCHISTAN

Let me also mention another possibility awaiting to be recognised and to be fully utilised in the national interest. I happen to believe that the Baluchistan region, comprising 45 per cent of our land area and containing 15 million acres of cultivable land is one of the richest areas in the country in terms of its agrarian potential. Only about 20 per cent of this cultivable area is actually cultivated now and the yields in many cases are higher than in other provinces. It is time that we focus our national attention on Baluchistan as a new agrarian frontier where a tremendous increase in agricultural production is possible, particularly of fruits, vegetables, and livestock, through bold and imaginative policies of valley development. The missing elements are exploitation of underground water and provision of electricity, roads and other infrastructure. We are analysing this potential in a thoroughly professional manner in the planning commission at present.

If we, as a nation, are to start thinking of Pakistan as a food-exporting rather than as a food-deficit area, a basic structural shift must take place in the national psychology. We will have to get rid of rationing, price controls, control on movements of crops, and many other unnecessary encumbrances which may have been needed in a period of scarcity but which will have no place in our national policies in a period of surplus. More than that, we will have to search carefully for those operational policies and programmes which can realise this latent potential of Pakistan into actual reality in the coming years.

[Text]

From agriculture, let me turn now to our programme of industrialization. Despite significant success, we still have a long way to travel on the road to industrialization. In our view, the basic plan industrial strategy should have three basic elements—import substitution, export-led growth and a genuinely active private sector. Before I elaborate on these elements, let me make it clear that I am not repeating more economic jargon but stating something which is pertinent to our current situation, an objective conclusion thrown up by our past wayward industrialization experience.

Our plan is to progressively replace the imports of engineering goods. The present level of the import of these goods is indicative of sufficient domestic demand. The setting up of the steel mill can now lead to the second stage of our industrialization, by emphasizing the production and export of engineering goods. A new era of industrialization can start. But let us be aware of the pitfalls. Our raw material costs are high, our labour productivity is low, our skills and technology are missing and our export markets are highly competitive. Our engineering goods sector must be built on realistic plans, not on idle dreams.

In going for engineering goods import substitution, we will be exposing ourselves to the danger of getting even more deeply mired into inefficient production. As we have learnt to our cost, blanket import substitution turns infant industry into sick and old units which become a drain and liability on the economy. To prevent such occurrences, we not only wish to open this area to private sector, but to expose private enterprise to some external competition. Protection will be given but partially, through tariffs, rather than absolutely, through import bans.

#### EXPORTS, EMPLOYMENT

For exports and employment, we will have to look elsewhere. The engineering industries are capital-intensive and will not absorb much labour directly. With the vigorous mechanization drive envisaged for agriculture to raise productivity, there will be insufficient scope for employment expansion in agriculture either. Under these circumstances, agro-based and small-scale industrial exports, becomes the

answer.

The advantages of this approach are more than one. First, being labour-intensive by nature, it will promote employment. Second, the expected productivity gains in agriculture which are likely to emerge through the measures I have indicated earlier and through accelerated mechanization made possible by import substitution in engineering goods, will yield agricultural surplus of no mean size. Export-oriented industrialization will be the way to utilize these surpluses. Third, and the most obvious, is the acceleration of exports, with relatively smaller domestic resource cost. Fourth, since these industries will be located to a substantial extent in rural areas and proximate towns, especially with the proposed expansion of rural infrastructure, it will be possible to contain rural-urban migration and thus make a decisive jump into the mainstream of urbanization.

Export-led growth through the small scale industry route has these advantages but also confronts some problems. To enter and retain markets abroad, let alone expand sales with time, and to receive a good price requires considerable know-how and up-to-date information of popular designs and changing fashions. Besides, exporters who pay well demand rigorous quality standards, dependable suppliers who meet time schedules and the capability to meet large orders. How should one combine the virtues of small scale production with the demands of importers is a problem but one that can be solved by instituting appropriate designing, efficiently organised marketing through export houses, and adequate lines of credit.

I must re-emphasize the fact that the Sixth Plan will place primary reliance on private sector for the achievement of its industrial objectives. While there is no question of government being in the export expansion industries, the doors will also be open to the private sector in all the import-substituting engineering industries. As far as possible, there will be no discrimination between the public and private sectors. Indeed, the public sector industries have already been taken off the back of the public budget. We do not envisage any significant expansion of public sector industries in the Sixth Plan. The private sector must step forward to make up the

new opportunities.

### PUBLIC, PRIVATE SECTORS

Let me take up here a question that has plagued our national economic debates and which must be faced quite realistically. There are advocates of both public and private sector in this country. Each side can come with plausible arguments. And yet the fact remains that this is basically a non-debate and a non-issue. There should be no question of any antagonism between public and private sectors whether in industry or in agriculture, construction, education, health, services, trade or any other field. The two sectors must co-exist within their broadly defined roles. As I see it, public sector has the role of a catalyst. It must create the infrastructure that is needed for private initiative to materialize. Unfortunately both the physical infrastructure of electricity, gas, water, telephones etc. and the social infrastructure are inadequate today. We must give an extremely high priority in the Sixth Plan to removing the present and future physical and social infrastructure bottlenecks. The public sector must also reserve the right to enter where private sector is hesitant to come in because of the large size of the investment, or new technology, or uncertain markets. But in all these cases, the public sector is an investor of last resort when all other avenues of attracting private initiative have been exhausted. Even in these cases, the public sector will welcome and invite the active participation of the private sector.

The truth is that public and private sectors will have to learn to live together in a spirit of co-operation within the framework that we are developing in the Sixth Plan. Each sector can borrow some virtue from the other.

The public sector will do well to learn from the dynamism of the private sector. And the private sector will do well to embrace the social conscience of the public sector. In the economic future towards which most developing countries are heading, it is my own belief that the present sharp distinctions between public and private sectors, will tend to disappear and they will increasingly work in close cooperation and harmony rather than be blocked in a mortal and fruitless struggle.

### ECONOMIC CONTROLS

I also believe that it is necessary to keep economic controls and regulations to the minimum

necessary for good economic management. We must place our reliance on those policy controls which give appropriate signals and incentives to the economy and gradually eliminate all those detailed administrative controls which leave a large element of discretion with the administrators and which frustrate creative enterprise in the system. Our economic system has tremendous potential if we only let it breathe a little. I have a feeling that we stand today on the threshold of a major liberation of our private initiative and enterprise from unnecessary controls and regulations. But let me also added that private sector, when freed from controls, should not run to the government for rescue each time its enterprises get into trouble. If the private sector would like to be free to live by the logic of the market, it must also be prepared to die by the logic of the market.

Let me turn now to another area of urgent concern which has received limited attention in the past. This is the field of science and technology. I believe that we, as a nation, should feel ashamed of ourselves for having spent only 0.1 to 0.2 per cent of our GNP on research and development when other developing countries have spent about one per cent of GNP or more. It is a national embarrassment today that we have so few scientific research institutions of excellence. We have such a limited number of capable scientists in the country.

We have extended only a tattered financial umbrella over technological advances which were critical for the future of our development. This is not only true of science and technology. It is also true of education and health. In health, we are spending one-fifth as much as other poor developing countries at our stage of development, in education about one-sixth as much. Let me state my own convictions quite frankly. We cannot build our economic future on a largely uneducated, poorly-trained population, which is also in poor physical health. A quantum leap is necessary in all these sectors in the Sixth Plan, for a development structure raised on such weak foundations will neither prosper nor last.

### EDUCATION

But this is not merely a question of throwing more resources at these problems. It demands a rethinking on the part of the entire nation. We must decide today what kind of education system we

are fostering and whether it is in tune with national priorities. Should we, for instance, devote most of our national resources to primary education, down-grading colleges and universities? Should we forget about adult literacy campaigns and try instead to catch the new generation in the primary school age group? Should we denationalize our schools and bring in more private initiative? Should we let the local bodies build primary schools, particularly in the rural areas? Should we spread a network of artisan schools all over the country to train intermediate skills needed within the country and in the Gulf markets? Should we focus on improving existing colleges and universities and put a stop to mushrooming new ones? Should we try to get at least one or two departments of excellence, even privately endowed at each university than try to diffuse our scarce resources and energies in improving every discipline and every department which may prove to be impossible in any case? Should we also set up one or two private universities, privately endowed, with entirely different salary structures and academic standards, to set an example and competition for the public universities? These and many other questions should trouble our collective national mind in the coming debate.

I request you all to focus on them.

There are similar questions in the field of health, which have been articulated in the new national health policy recently announced by the government. Even more urgent questions await us in the field of technology. What kind of scientific research institutions should we support? What concrete programme should be developed, what research priorities adopted, what new initiatives taken? Do we, for example, need more institutions focused on applied research like water-logging and salinity, better on-farm water management, indigenous building research, rural energy and other such issues for which the nation has to find its own answers rather than to keep relying on imported knowledge or foreign consultants?

I believe we are only on the threshold of such a national debate. I am convinced that in all these sectors we may have to increase the level of expenditure by about three to four times over the next plan period. We are fully prepared to accept the necessary



priority to these neglected concerns in the Sixth Plan but the issue I just referred to, along with other organizational and institutional issues, are going to be decisive for the success of any such programme.

#### PUBLIC SERVICES

Another issue we must debate is the inadequate public services in many fields: for example city bus transport, urban and rural water supply and low income housing. Many of these services are breaking down under the pressure of population growth and influx of people into the urban areas. We need a visible improvement in these services in the Sixth Plan. We have been debating among ourselves in the Planning Commission various technical proposals and programmes to arrange such an improvement but let me mention here one issue which comes back again and again to haunt us in all our internal debates. That is the fundamental question of who is going to pay for expanded and better services. At present, many of our services are running at a tremendous public subsidy.

In education and health, the subsidy is above 90 per cent. in city transport and water supply, there is also a very high subsidy. Since tax resources are always limited and subject to so many competing claims, there cannot be adequate provision for these social services and after sometime they begin to deteriorate. Unless the direct beneficiaries from these services are prepared to pay an increasing share of their maintenance, it is going to be impossible either to expand them or to improve them over time. We believe that a very strong case exists today for the introduction of user charges in all our public services.

In fact, failure to institute cost recovery in these services leads to poor maintenance of assets and denial of funds for future investment to satisfy expanding needs.

If the user does not pay, he or she enjoys an un-merited subsidy, while the society as a whole suffers either by paying taxes that are not recovered from the users or by suffering in the form of deteriorating quality of services. Furthermore, the development programme is increasingly reduc-

ed in time to a rehabilitation and reconstruction programme rather than one creating new assets.

#### SUBSIDIES

We all realise that the introduction or enhancement of user charges to reduce government subsidies over time is a very unpleasant exercise, both economically and politically. But I see no escape from facing up to this national dilemma. Either the users pay, or the whole society pays, or the services are poor and disappear over time. I do hope that in your coming debate you will frankly address this issue and advise us how best we can tackle it during the Sixth Plan period.

There are many other issues that I could have touched upon from national resources to foreign assistance, from dependency to self-reliance, from nutrition to population planning. All these are urgent concerns on which there is an intensive dialogue going on in the context of the Sixth Plan preparation but there is hardly any time to cover every aspect of the debate here. That is why I have been deliberately selective. I am sure that in your deliberations many more issues will come up which I have not even mentioned. I can assure you that we shall look forward to this debate and to its major conclusions. Many of my staff members from the Planning Commission will be participating in your deliberations and learning from it. And I hope that this debate will spread outside these halls, to farms and factories, to schools and streets, to every corner of this country, because without involving the entire nation we cannot have a representative plan.

#### CONCLUSION

Let me add a final thought. Development has been defined in many ways. Many scholars have spent their lives researching its true meaning and content. To me, the message of development is simple. It is reflected in the happiness of a rural family whose home is suddenly brightened by electricity. It is mirrored in the faces of those children who for once get an opportunity to lead a healthy and educated life. It is expressed in the relief of a simple

farmer who no longer has to bend down to drink polluted water from a dirty pond. It is measured by the full reward of an honest day's labour.

I have often been asked, what are my yardsticks to measure economic progress. My yardsticks are not very sophisticated, they are simple. I believe that if even a single child cries in the middle of the night for want of milk or food, then in some personal way our development planning has failed. We all have failed. For a plan must have a soul. It must have a human dimension. It must be rooted in the economic needs and cultural values of a society.

I have talked today, therefore, about national choices, without touching upon GNP growth rates, saving and investment targets, balance of payments projections and many esoteric numbers. They are necessary no doubt. They bring, in fact, real joy and comfort to many planners. But they are essentially means. They are not the end of development. Far too often, we have lost this distinction.

We shall judge the impact of the next plan, therefore, in terms of its impact on family income, employment, social services and basic needs. I hope you will not forget this in the heat of your national debate on the new socio-economic order. Your real judges sit outside this hall. Not many of them are here. We need to address them, not only ourselves. We need to listen to them, not only to each other.

In the final analysis, a plan must mirror the aspirations of a nation. It may not be possible to accommodate everything that every one desires within a five-year period. But at least the choices must be debated objectively and honestly. When it really matters, development will be judged not by the planning commission or by the government or by the World Bank or by the intellectuals of this country. It will be judged by the people. I am conscious of that responsibility. It is in that spirit that I would like to debate these national issues in all possible national forums in the next six months and I hope that I shall have your full support in this national endeavour.—APP.

NDP LEADER HOLDS PRESS CONFERENCE

Karmal Government Recognition

Karachi JASARAT in Urdu 21 Sep 82 p 2

[Article: "Haji Bilore Advises: 'The Government Should Recognize the Karmal Government'"]

[Text] This news item was suppressed on the advice of the police, but was published by a local contemporary on Monday. The item is presented here for the consideration of JASARAT's readers.

Karachi, 20 September (Staff Reporter): Haji Ghulam Ahmed Bilore, the secretary general of the defunct National Democratic Party [NDP], pressed the Government of Pakistan to recognize the present Babrak Karmal government in Afghanistan, and instead of indirect talks, start direct negotiations with the Afghan rulers. "Solutions will be forthcoming only when direct negotiations are held," he said while addressing a press conference the other day at the local press club. He said, "Today the army is not being sent to any area of the country. In the past, when the army was sent to Baluchistan we suffered violence and injustice. Even so, for the sake of the country's interests, we are allied with the People's party." Mr Bilore said, "If instead of a military junta, the country was being run by a political administration, Russia would not have come out of Tashkent and Samarkand and reached Turkhom near our borders. Russia's presence on our borders is the result of our government's mistakes." In answer to a question, he explained, "Changes have occurred in Afghanistan that our government refuses to recognize." He said, "A government that is itself 'de facto' is not taking a correct position when it refuses to recognize another de facto government. In the entire area, from Bangladesh to Afghanistan, only Indira Gandhi's government is an elected democratic government. There would have been some justification if Indira Gandhi's government had adopted this attitude. But Indira Gandhi did not do so. If we had recognized Afghanistan, Russia would not have reached Turkhom." Bilore said, "A great power 10,000 miles away does not want supporters of Russia to stay in power in Afghanistan. This great power has used every means possible to bring about a change in Afghanistan. What this great power is doing and what the Pakistanis are doing is



no secret. We are no longer a buffer state, we are now a sandwich state. The Russians will not tolerate having their friends in Afghanistan suffer a setback while a great power, 10,000 miles away, establishes its hegemony over a country near Russian borders." He said, "There is only one way of dealing with the present situation, namely, the country should be returned to the statesmen. Perhaps then it will be saved, because the course we have chosen at present is headed toward disaster." Bilore, said, "Sindh and Baluchistan are not part of the government; if the present administration stays in office, the people of Sindh and Baluchistan will be forced to conclude that either they will have to live as slaves or look in a certain direction to obtain their rights and freedoms." He said, "Russia's path will not be blocked by invoking the name of Islam. The Russian shortcomings enumerated in this country, exist here as well. There may not be any democratic freedom in Russia, but they have bread, clothing, educational and medical facilities. The people of the frontier areas do not think that Russia's arrival would be bad. It would not give us all the things we are deprived of, but we will get food, clothing and other such items." In answer to a question regarding the Afghan refugees, Mr Bilore said, "It is a historical fact that all those who came here from the Khyber Pass have stayed. Today everyone is giving aid to the refugees from Afghanistan, but tomorrow this aid will stop and these people will become a burden on our economy." He agreed that subversive elements could enter the country in the guise of refugees and said, "If we can create trouble, so can others." He added, "In the past, the people took to the streets to show their opposition to a party and to an individual. Today, the question is, if the people take to the streets, whom will they be opposing?" He said, "We think that under the present conditions, the people are not opposed to Zia-ul Haq, but to the military government. When a nation fights against its own army, then nothing short of divine intervention can save it." He added, "if political activists think this way, then the military also should think along the same lines, before the people take to the streets. It is not enough to set up an advisory council. One hears of Islam day and night, but Zakat [religious tax] is deducted from bank interest." He said, "If these people had brought Islam to the country, our reaction would have been, hail and welcome. But they are not establishing Islam." Haji Bilore said, "Martial law supersedes Islam in this country. Those who sit in the lap of martial law and talk of Islam and Pakistan's objective are the enemies of both. They give Islam a bad name. They should praise martial law and not invoke Islam." He said, "Those who deny God and his prophet have the right to express their views in this country, but the opponents of political views are not allowed the right to life. Every political school of thought should have the freedom to express its views." He added, "A political murder was committed here the other day, and we condemn it. But we are not ready to accept that this was a martyrdom for Islam. We condemn Bhopali's murder, but we do not accept that he was martyred for the sake of Islam. He did not die for Islam but for martial law; for Zia-ul Haq. Under the present system of government, whoever dies to give permanence and supremacy to martial law will be a martyr for the cause of martial law. The matter should not be presented in a false light." Mr Bilore said, "Ever since the creation of Pakistan, we have been fighting for fundamental rights. We do not wish to be separate from Pakistan. Is not Pakistan our country? But we are still accused of treason. Under every administration, there have been complaints of the lack of a free judiciary, of free administration, a free press and free parliament. The time for words

is past; political activity should be allowed in the country because only the opposition can show the correct course to the rulers. No one's life, property, or honor are safe in the country today." In answer to a question, he replied, "The party has taken no decision about allowing the Biharis of Bangladesh to come to Pakistan. However, if everyone is allowed into Pakistan, then the hundred million Muslims of India who are tired of mistreatment by the Hindus should also be allowed to immigrate to Pakistan." In answer to a question referring to a difference between the Biharis of Bangladesh and the Muslims of India, he agreed that there was a difference, but that the party had not given consideration to the matter. He said that ideologically, Pakistan was the country of all the Muslims of the world.

#### Editorial Criticism

Karachi JASARAT in Urdu 21 Sep 82 p 3

[Editorial: "This Is Open Treason."]

[Text] In a press conference held at the press club the other day, the proceedings of which we were prohibited under government orders from publishing, Mr Ghulam Ahmed Bilore, the acting secretary general of the defunct NDP [National Democratic Party], a member of the Movement for the Restoration of Democracy, openly advocated treason. We are surprised that the officials of the Information Agency thought it necessary to stop the publication of the press conference, but failed to enquire whether whatever laws there are in the country allow individuals to invite foreign powers into their own country. If the law does not allow such an action, what legal measures should then be taken toward an individual who issues such an invitation to foreign occupation? The government has not said yet what it has done toward fulfilling its responsibilities in this regard.

According to reports published by our colleague newspapers, Mr Ghulam Ahmed Bilore claimed in his press conference that the people of the frontier areas hold the view that it would not be a bad thing if Russia took over. They might not gain democratic rights, but they would at least get food to eat and clothes to wear. In the press conference, Bilore also demanded that communism and socialism should be given the freedom of propaganda; that Russia could not be stopped with shouts of Islam. He also proposed that our government should recognize whatever has taken place in Afghanistan; that one should not listen to a country 10,000 miles away.

Consider this first of all. What direct connection is there between Pakistan's policy and what Ghulam Ahmed Bilore has said? Is he a Pakistani politician or a Russian agent? Another noteworthy matter is that the individual who is inviting Russian occupation of Pakistan and who does not consider becoming the slave of Russia such a bad thing is the secretary general of the party whose leaders claim that they fought the war of freedom and drove out the British. These self-made heroes of freedom now want to give the country which is free of the British to the Russians. Is not this open treason? And will silence about open treason be called tolerance and diplomacy or surrender to traitors? In answer to a question regarding the recognition of the

government of Afghanistan, this same party's Begum Naseem Wali Khan said that she did not look beyond her country, that the government had the right to recognize or not any other government; and that her party had not decided yet about the recognition of the Karmal government. This same party's secretary general sees everything beyond the country and, concerning a matter about which Naseem Wali Khan said the party had made no decision, Ghulam Ahmed Bilore demands that all that occurred in Afghanistan should be accepted. How should these contradictory statements be interpreted? Is Naseem Wali Khan right or is the party's secretary general? We ask Sardar Sherbaz Mazari, who is a great patriot, if he supports the traitorous views of this party's secretary general. If he does not, then why does he accept the right of Bilore to be the secretary general and to express such views? Sardar Mazari should answer this question.

Ghulam Ahmed Bilore's statement cannot be explained away. What he said in an open press conference was heard and seen by dozens of open ears and open eyes. We await the reaction of both the government and the party leader Sardar Sherbaz Mazari to Bilore's traitorous views.

This individual who is demanding propaganda freedom for communism and socialism should first demand the freedom of advocacy for Islam in the Soviet Union. Ghulam Ahmed Bilore's reasoning is that what happened in Afghanistan should be recognized, and no attention should be paid to what a country 10,000 miles away wants; as though the problem is not one of Afghanistan's Muslims nor of the 3 million refugees who have come to Pakistan; and that the decision not to recognize the Karmal government was taken only to please the United States. Such reasoning belongs only to a Russian agent, and not to a spokesman for Muslims.

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CSO: 4656/4

## DISAPPOINTING PERFORMANCE OF SIND IN THE FIFTH PLAN DISCUSSED

Karachi BUSINESS RECORDER in English 14 Oct 82 p 2

[Text]

The disclosure that most of the Fifth Five-Year Plan targets for the province of Sind could not be achieved mainly due to lack of funds, is really disappointing. The 10 to 50 per cent achievement of targets in various sectors is surely a dismal performance. This will also create doubts in the minds of the thinking people about the working of the entire planning structure. Couldn't our planners visualise the resource position when the plans were being made? Was it not possible for them to foresee the difficulties which might arise in the implementation of the plan including the price escalation during the plan period? Were the targets too ambitious to be achieved? These are some of the questions which crop up when an assessment of implementation of the plan is made.

Sind is the second largest province of the country population-wise. Economically, it may be termed the most advanced region of the country only

because of the fact that Karachi, the only sea-port and the most industrialised city, is a part of Sind. As such the province's contribution to the national revenues as well as to the national income, is the highest. However, the interior of the province is as backward as any backward region of the country. This calls for preferential treatment of the interior of Sind in the overall development strategy of the country. But, on the contrary, only because of the affluence of one city, the interior is discriminated against in the development strategy. A greater share of the province's resources need to be earmarked for improving the social sector, namely, health and education. The achievement in these two sectors has been most disappointing. According to the report published in our yesterday's issue, only 40 per cent of the target fixed for health services could be achieved in the plan period, while the performance in the education sector has been still less



satisfactory. In this sector, the position regarding enrolment at primary level further deteriorated as it was recorded at 10 to 30 per cent in various districts of the province. As a result, additional pressures built up in the colleges and schools in the urban areas. It is, indeed, regrettable, that health and education sectors even in the national development programme, never received the importance they deserved. The planners treated them as non-productive sectors forgetting that the influence of these two non-productive sectors over the productive sectors is immense. For the efficient and speedy performance of the productive sector, the improvement in these two sectors is imperative. No plan, however realistic it may be, can succeed unless education and health sectors make good progress. This is not anything which one should tell the planners to do. It is as obvious as anything. A better educated and healthy person is capable of putting the scarce available resources to maximum use. Hence, for the maximum and better harnessing of these resources, the quality of the human resource in the country has got to be improved. However, it is heartening to see that in the next Five-Year Plan these sectors are being treated on priority basis and larger allocations are being made for their development. It will not be out of place to note here that despite financial constraints Sind Health De-

partment is making the best possible use of the resources at its disposal. Some of the measures taken in Sind to enlarge the scope of medical facilities are good examples for other provinces to follow.

According to our report, Sind was allocated a sum of Rs. 900 million for the implementation of 5th Five-Year Plan. As against this, it received only Rs. 4000 million. These allocations were made five years back. During the five years the plan was to be executed, cost escalation has been immense. This means that the actual receipts fell much shorter than the original allocation. How could it, then, be expected to achieve all the targets fixed in the plan? The shortfall was inevitable.

As regards other provinces, we feel, the situation would not be very much different from that of Sind. It is time that a proper assessment of the performance of the 5th Plan was made. The Sixth Plan is to be launched in July next. But before that a survey of the achievements of the Fifth Plan is imperative. It will help in identifying the shortcomings and difficulties which might arise in future and in planning how to overcome them. If the dismal performance of Sind is to be taken as an indicator, we will have to be very cautious in fixing the next plan targets and making allocations. It is to be hoped that the Fifth Five-Year Plan performance would not be repeated during the Sixth Five-Year Plan.



## BETTER TRAINING FOR POLICE, RAPPORT WITH PEOPLE RECOMMENDED

Lahore THE PAKISTAN TIMES in English 14 Oct 82 p 4

[Editorial: "Drive Against Terrorism"]

[Text]

Opening the general debate on the recent spate of terrorism in the country in Maitla-i-Shoora, Federal Interior Minister Mahmood A. Haroon assured that the Government was fully awake to the situation and was taking steps for the security of the common citizen. He admitted that because of their superior arms the saboteurs had been able to carry out acts of sabotage initially, but said they had now been contained by employing trained anti-terrorist squads and supplying better equipment to police. The Interior Minister said that to deal with disruptive elements on a firm, long-term basis President Zia-ul-Haq had recently held a high-level meeting, participated in by the four Provincial Governors, Ministers and Inspectors-General of Police, at which some important decisions were taken. One of them was to organise proper training of police personnel in the light of the Mitha Commission recommendations on the subject. The force is also being supplied with better weapons

and transport equipment. By now over 150 anti-terrorist personnel have been trained and sent to the Provinces for duty. A number of police officers are also being sent abroad for anti-terrorist training. At the same time special cells have been formed in the Provinces to collect information about disruptionists and their nefarious designs. Mobile and foot police patrols have been ordered to be on 24-hour duty on the highways, and the Provincial Governments have been asked to improve forensic laboratories and maintain dog squads to trace out criminals. Mr. Mahmood Haroon said that Martial Law Regulation No. 53, recently promulgated, showed how determined the Government was in tackling terrorist elements. He disclosed that the actions taken by the Government had already resulted in effective containment of terrorism. Some 650 terrorists had been rounded up, and about 95 cases were lying in various courts of the country. A large amount of deadly arms, including rocket launchers and mines,

have been recovered, and many of the saboteurs have already been convicted. The Minister also said that the culprits in the Zahoor Elahi case had been apprehended and the matter was now in the Military Court, while police had made heartening progress in bringing the murderers of Zahurul Hasan Bhopali to book.

Thirty-five members participated in the debate on terrorism, and most of them agreed that the handful of elements engaged in terrorist activities had no support among the masses and were mere tools in the hands of their foreign masters. They were of the view that the principal objective before the disruptionists and saboteurs was not political but the subversion of efforts for Islamisation of society currently under way in the country. The consensus was that the rash of terrorist activities were part of the wider conspiracy hatched by anti-Islamic forces to destabilise Muslim countries and stop their march towards their ideological goal. The disruptive activities were in the nature of a covert war against Pakistan and Islam so that the country, achieved in the name of Islam, could be prevented from fulfilling its ideologi-

cal promise and made to live under an alien system. But all the speakers who took part in the discussion were unanimous in their opinion that such a conspiracy would never succeed. In this connection they appealed to the people to co-operate with the Government in tackling the enemies of Islam and Pakistan and maintaining peace and order in the country. The point was also raised by the President in his address to the Majlis-e-Shoora and he had rightly observed that if the people provided timely information about the movement and designs of the saboteurs, it would be much easier for the authorities to do their duty. Towards this end it is necessary that local authorities everywhere should be instructed to establish closer rapport with the people in their areas with a view to keeping an eye on subversive elements. Police should also be asked to stop playing the bully and behave properly with the common man in order to gain his confidence. A community in which the citizens and the law enforcing agencies understand each other and work hand in hand leaves little room for illegal and anti-State activities.

## ISSUES IN PROPOSED NEW LABOR POLICY

Lahore THE PAKISTAN TIMES in English 15 Oct 82 p 6

[Editorial: "New Labour Policy"]

[Text]

Federal Minister for Labour Ghulam Dastgir Khan has stated that the new labour policy being prepared by his ministry will embody the consensus of the Labour Commission comprising 15 representatives each of employers and workers. This consensus has been obtained from the Commission in the form of recommendations arrived at unanimously by its members. The Commission is agreed over the demand that the new labour policy should be based on the Islamic principles of social justice and should bring about an atmosphere of complete discipline, friendship, co-operation and mutual understanding between the employer and the worker to accelerate production and achieve economic stability and progress. It has also countenanced all the internationally accepted safeguards for the protection of the workers' rights, including the right of collective bargaining and association, and provides for institutional structures that minimise the innate contradictions that exist between the capitalist and

the worker. While accepting the irreducible conditions of discipline and productivity in the favour of the former, the Commission insists on the institutionalisation of measures that serve to redress the grievances of the latter, offer him proper security of service and provide him opportunities of better employment on merit after in-service training. That all these recommendations have emanated from a consensus of the two parties concerned is an earnest of the workability of the new labour policy.

Only 15 per cent of Pakistan's total labour force is employed in manufacture. The large-scale industry which contributes up to 15 per cent of the GDP absorbs only 2 per cent of the labour force while the medium and small-scale industry employs the rest of the workers. Up to 70 per cent of the national industry is in the State sector. This complexion of the sector was brought about by the economic doctrine adopted by the previous regime which nationalised 32 large units and 10 major industries

followed by banking, life insurance, shipping, oil distribution and vegetable oil. In the years that followed the country's growth fell from the annual rate of 12 per cent before 1965 to 3 per cent by the mid-seventies. The private sector, the backbone of the free-market and mixed economies, was literally wiped out and today its growth rate is reluctant at 1.3 per cent. The overwhelmingly predominant State sector is welfare-oriented and lacks the private entrepreneur's drive for profits and the pressures of insolvency have to be endured by the workers. Now that the Government is encouraging the private sector to come into its own, the new labour policy must reflect a healthy tension of worker-employer interests. The entrepreneur responds to incentives of profits alone and cannot be persuaded to invest in an enterprise that is excessively skewed in favour of the workers, that is, where workers' rights are not pegged to the profitability of the enterprise. The example of carpet making can be cited to highlight a situation where labour laws have inhibited the setting up of factories and driven the exporter to rely on the cottage industry. As a result, Pakistan has been unable to meet the orders for carpets coming from a discriminating European market. The Government

has therefore increased the level of incentives to the private sector by allowing industries requiring investments of up to Rs. 20 million to be set up without formal permission. For units to be set up in backward areas there is a tax holiday and exemption from import duty on the machinery; and interest on industrial loans has been brought down from 12.5 per cent to 11 per cent. Labour-intensive textile mills, most of which have become 'sick' over the past decade, are being helped back into proper functioning and sugar mills are exempted from central excise duty on excess production. All these measures are clearly favourable to the investor requiring the fillip of profits but the underlying assumption is that industries in the private sector will absorb more labour and strengthen the supply side of the labour market. The labour policy has to be weighted in favour of the worker whose rights have been recognised by the march of world civilisation and are enshrined in the charters of such international organisations as the ILO. By its very nature the instinct for profits is without bounds and private enterprise can be economically useful only under certain constraints. The guarantee of the workers' rights provides just such a constraint.

## ASPECTS OF SOCIAL REFORM CAMPAIGN DISCUSSED

Lahore THE PAKISTAN TIMES in English 18 Oct 82 p 4

[Editorial: "Islah-i-Muashra"]

[Text]

The report of the Cabinet Committee for Islah-i-Muashra comprises both short and long-term measures for the reform of society. The immediate steps, which are aimed at curbing the trend towards moral degradation, provide an eloquent commentary on the state of our consciousness of the problems that strike at the very root of our social structure. Many of the recommendations are just pleas for applying existing laws to combat the growing evils of ostentation and wastefulness that have lately become a hallmark of our society. Who does not know that the Dowry and Bridal Act restricting individual presents to Rs. 100 and the marriage expenditure to Rs. 2,500 is violated with impunity by the richer sections of the population? Huge amounts are spent on large receptions, 'mehndi' and similarly wasteful ceremonies. The Islah-i-Muashra Committee has strongly pleaded that such thoughtless spending should be stopped with a firm hand and, instead, marriages should be solemn-

nised in mosques in a simple manner. Its suggestion about taxing lavish marriage receptions in hotels is particularly useful. To improve the society's moral tone the Committee has recommended that not only should TV and films be made to adhere strictly to the existing code of ethics, but a campaign should be launched against vulgarity in public fairs, stage plays, the so-called mohalla libraries which purvey prurient literature and the 'bara' markets which act as a channel for the supply of obscene cassettes. The Committee has also advocated a ban on ballroom dancing, night clubs and discos—shabby imitations of the degenerate Western society. It is indeed an index of the rampant indiscipline in our midst that the Committee has had to recommend formation of queues and a ban on smoking in public places. These are simple rules but nobody bothers to observe them.

The Committee's recommendations to end corruption and bribery are unexceptionable. As a way to



combat extravagance, a primary cause of illegal money-making, the Committee has proposed that the import of cars above 1600 c.c. and plots of more than 500 square meters should be banned. The Islah-i-Muashra body has reviewed in detail the working of the bureaucracy and outlined a series of measures to prevent civil servants from misusing their official position for self-aggrandisement. These include declaration of assets by officials and their close scrutiny and periodic screening to weed out corrupt elements. A significant proposal made by the Committee relates to the rationalisation and publication of the perquisites enjoyed by the employees of autonomous bodies and nationalised commercial institutions. This would be a safeguard against the callous squandering of public money which is common in government and semi-government corporations. It has been recommended that only persons of proven integrity and honesty should be posted to such revenue-earning departments as Customs and Income Tax where a lot of leakage takes place. The Committee has also come out strongly for simplifying the criminal and civil procedure code and the law of evidence and improving the police department.

Keeping in view the long-term requirements of Islah-i-Muashra the Cabinet Committee has emphasised that the prevailing education system should be so reorientated that there is an increase in its ideological content. It has pointed out that the system as it works now is concerned only with production and pays little attention to

character-building and ideological training. To correct the situation the Committee has recommended that knowledge of the basic teachings of the Holy Quran and Sunnah should be made compulsory for admission to the universities and professional colleges. For the implementation of its comprehensive set of recommendations, the Islah-i-Muashra Committee has proposed the formation of social reform bodies at the village, city and district levels, composed of persons of unchallenged probity of character, local notables, ulema, lawyers and public-spirited men. These committees, a body of dedicated social reformers will spearhead the movement for purging society of its myriad ills. The focus will be on the individual and popular participation so that the drive assumes the character of an all-embracing reform movement. Needless to say, in any such effort the role of the leaders, who in this case will be the members of the Islah-i-Muashra Committee, will be all-important and crucial. They must have a spotless personal and public record and only then can they be effective leaders of the campaign they will head. No less important is the fact that in the fight against corruption and social evils, the member of the committees should furnish personal examples for the rest of the community to follow. The success of the social revolution we are all so hopefully looking forward to will ultimately depend upon the personal conduct and practice of the reformers themselves. As we have seen in the past, rhetoric alone cannot bring any change.

# ELECTORAL ROLLS UPDATING TO END

Lahore THE PAKISTAN TIMES in English 18 Oct 82 p 10

[Text]

ISLAMABAD, Oct. 17: The Election Commission of Pakistan today issued the following Press note:

A week is left when the proceedings to update the electoral rolls would culminate on October 24, 1982. It is reiterated that all those persons who are eligible to become voters but have not so far been enrolled should apply for the inclusion of their names in the electoral rolls.

The electoral rolls are being complemented by including fresh names of those who are eligible to become voters, by deleting the names of those who have expired or are disqualified to remain on the rolls and by incorporating corrections of particulars relating to certain names error of which is pointed out and accepted by the Registration Officer.

Separate forms — separate for the Muslims and the non-Muslims — are prescribed for inclusion, deletion and correction of entries in the rolls. These forms are available with the Registration Officers; Assistant Registration Officers in large quantities for distribution to the intending applicants free of cost.

Every application for the

inclusion of a name in the electoral roll of an electoral area should be filed either in person or through an authorised agent with the Registration Officer or Assistant Registration Officer concerned. Every application for the deletion of an existing entry and an application for the correction of any particulars in the existing rolls should be lodged with the Registration Officer or Assistant Registration Officer concerned by the applicant in person and not through an agent. Applications for additions, deletions or corrections will not be entertained if filed in bulk by an individual. Applications for additions or deletions or corrections can also be sent by registered post to the Registration Officer concerned. In case applications are filed on plain paper, full particulars should be given as in the forms.

The Election Commission earnestly desires that the name of every citizen who is qualified for enrolment as a voter should be entered in the voters' list and that the redundant entries should be deleted and incorrect ones corrected so that the electoral rolls are available in as accurate a form as possible.—

OFFICIAL VIEWS BALUCHISTAN DEVELOPMENT

GF211535 Karachi DAWN in English 18 Oct 82 p 4

[Excerpts] Quetta, 17 Oct--Doctor Mehbubul Haq, the deputy chairman of planning commission, has said that Baluchistan has tremendous potentials in agriculture and minerals.

Talking to newsmen on arrival here yesterday, Dr Haq said these potentials, if properly exploited, promised rapid development of the province, and they would also assist in the growth of the national economy.

He said the purpose of his and commission's team's visit to Baluchistan was to exchange views with the provincial government on its priorities and thinking on the sixth plan with regard to Baluchistan.

He said the sixth plan would be launched according to schedule in July next. Talks were being held in this respect, and the framework of the plan would be out by January next.

He said the federal government was taking keen interest in increasing the tempo of development in Baluchistan and was giving huge amounts for the province. This year a record amount of Rs 151 crore was being spent on the development activities.

He said the commission's team would make frequent visits to Baluchistan and would hold detailed discussions on various aspects of development, and then draw up realistic plan for the development of the province.

"We have some priorities, basically opening the rural areas, building up agricultural exports, improving infrastructure, expanding social services, development of industries, specially small industries and provision of training facilities," Dr Haq said.

In the past, he said, Baluchistan remained neglected to the extent that there had been one development project for every ten thousand people as against the national level of one project for every 5,001 people.

He said development work carried out at present included electrification of 250 villages, Baluchistan University, Bolan Medical College, completion of RCD highway and Loralai-Dera Ghazi Khan Road and tubewells resulting in three-time increase of fertility. A special programme of Rs. 86 crore had been undertaken, he stated.

Special attention, he said, would be given to the development of agriculture in Baluchistan in the 6th Five-Year Plan.

He said 20 per cent more land could be brought under cultivation, and the commission would hold discussion on ways and means. He hoped that agricultural exports could be built up by increasing the food and fruit crops for which there was market in the Middle East.

Dr Haq said that for the development in the next plan period areas would be identified in which concentrated development would be carried out. The areas are north and north-east of Quetta, Sibi, Pat Feader area, Kalat Valley and Mekran coast.

He said there were tremendous prospects for exploiting the subsoil water resources and due attention would be paid to it.

In the mining sector, he said, there were great potentials in exploration and exploitation of copper, iron ore and coal for which China and Canada have evinced keen interest. He said that economics of the development of copper and iron ore was also being worked out.

He gave an assurance that the private sector would be encouraged to invest in Baluchistan. Incentive would be provided to them by improving the infrastructure.

Replying to another question, he said he could not say at this stage about the size of the amount to be allocated for the development of Baluchistan during the next plan period. He, however, said that besides the country's own resources some of the foreign countries, including Kuwait, Canada, West Germany, Japan and Britain, were extending their assistance in the development of Baluchistan.

He said great attention was also being paid to the production policy, generating income and its distribution. He called for involvement of all the people and provision of greater employment opportunities, encouragement to small farmers and search for markets.

## LOANS FOR FIVE PROJECTS APPROVED

Karachi BUSINESS RECORDER in English 7 Oct 82 p 3

[Text]

Pakistan Industrial Credit and Investment Corporation (PICIC) yesterday approved five industrial projects and sanctioned loans amounting to Rs 162.35 million including a foreign exchange component of Rs. 79.58 million.

Two units were sanctioned for the manufacture of formaldehyde urea formaldehyde, an important synthetic resin used in the manufacture of plywood and particle chip-board, sport goods, enamel and paints, furniture, paper, leather, textiles etc. Each unit will have the capacity to produce 6 000 tons/year. One of the plants will be located at Hub chowki and the other at Sheikhpura. Total loans to these two projects amount to Rs. 32.53 million, including a foreign exchange of Rs. 23.73 million.

A modern sugar mill will be set up at Sahiwal having crushing capacity of 4,000 tons of sugarcane per day or 57,600 tons of white sugaryear. The mill is being financed through a consortium of

PICIC, Bankers Equity, IDBP and ICP. The PICIC share of loan amounts to Rs. 55 million covering 21 per cent of total cost of the plant and machinery. The entire machinery will be locally fabricated.

A loan of Rs. 46.80 million (including Rs. 34.30 million in foreign currency) was sanctioned to an existing jute manufacturing unit at Karachi for balancing and expansion of their present facilities through addition of 2630 spindles and 80 looms together with related preparatory and finishing equipment.

The proposed expansion will increase jute manufacturing capacity from 10,000 tons to 16,000 tons/year.

Another project approved was for setting up a distillery alongside an existing sugar mills in Bargaon. The total loan sanctioned to this project amounts to Rs. 28.08 million of which, Rs. 23.53 million is in foreign exchange. The proposed plant will have the capacity to produce 9.0 million liters of industrial alcohol of 66 gallon per annum. The entire output of industrial alcohol will be exported in view of its increasing use and rising world consumption.

CSO: 4200/57



# TRAINING WORKSHOP ON POPULATION PROGRAMS OPENS

Karachi BUSINESS RECORDER in English 14 Oct 82 p 2

[Text] The Advisor to the President on Population, Dr. Attiya Inayatullah yesterday inaugurated a six-day managerial workshop for senior officers of population programme and said that the course was a vital activity for the success of the current population welfare plan 1981-84.

The workshop has been organised by the Population Welfare Training Institute (PWTI) in collaboration with the National Institute of Public Administration (NIPA).

The President's Advisor said that the course was designed to impart knowledge and skills considered essential for management of the programme in its present form.

Dr. Attiya Inayatullah traced in detail the history and background of population programmes in Pakistan and said that the current population welfare plan had taken due cognizance of the inter-relationship between development and facility dynamics without regarding any of the two as independent variables.

The primary objective of the plan was to inculcate a change in the behaviour of people leading to greater use of contraceptives and said that services from various mechanisms were accessible to every desirous couple in need of family planning, she added.

Referring to the group of participating population welfare officers, Dr. Attiya Inayatullah said that it consisted of qualified and experienced personnel and the activities envisaged in this course were aimed at enhancing their competence in management.

The purpose involving different categories of persons in this course was to develop an integrated approach, not from a purely theoretical stand point, but in terms of its ramifications in augmenting implementation capability.

She said that the trainees here will have particularly to play a crucial and pivotal role. As it has generally been stated that the officers of population welfare programme do not have adequate motivation and managerial leadership for the most challenging programme.

She was confident that after this course the commitment and the motivation of the group will find expression in their job performance so that the targets of the programme and larger objectives of the plan were achieved and even exceeded in future.

The workshop will conclude on Oct. 19.

CSO: 4200/59

# MISUSE OF FUNDS FOR REFUGEES ALLEGED

Islamabad THE MUSLIM in English 12 Oct 82 p 6

[Text]

LAHORE, Oct. 11: The Muslim Students Federation has demanded an inquiry into the funds collected by various parties in the name of Afghan refugees.

Rana Tahir Mehmood, chief organizer of the federation, told 'The Muslim' that a student of Islamia College, Railway Road, had submitted an application to the Punjab Governor alleging that three professors of the college, Abdul Hamid Dar, Rana Abdul Hayee and Mohammad Aslam Opal, collected Rs.9,000 from the students and staff of the college for Afghan refugees which were to be presented to the government through a cheque but were never deposited.

He said the students had appealed to the Governor to hold an inquiry into the incident and to take severe action against the said Professors whom he allegedly had given the amount to a defunct political party.

Rana Tahir said the Governor

had sent this application to the Education Secretary, Punjab who sent it to the District of Public Institution Colleges for a report. The DPI forwarded the application to the college principal for investigation.

The principal said in his report that Abdul Hamid Dar and others had collected the amount for Afghan refugees and were asked to deposit the money with the concerned authorities. On inquiry, it emerged that the amount was deposited with Hizb-e-Islami in the name of the college principal.

According to the principal, he had no knowledge of the amount in question. The principal sent this report to the DPI.

Rana Tahir Mehmood alleged that a defunct political party was polluting the peaceful atmosphere in the educational institutions through its students front, and the unarmed students were being tortured.

He said since there was ample proof of misuse of funds by certain elements, a high-level inquiry should be held by the authorities.

CSO: 4200/59

# RESTRICTIONS ON FOREIGN TRAVEL CRITICIZED; 'NO OBJECTION CERTIFICATE' CALLED A CURSE

Islamabad THE MUSLIM in English 12 Oct 82 p 4

[Text]

IN a Press statement the Human Rights Society of Pakistan has criticised the authorities for not communicating any decision on its application seeking permission to participate in a three-day Human Rights Conference in New Delhi. The Vice President of the Society, Mrs. Mahnaz Rafi, has stated that the Society had received an invitation to participate in the Conference which it had submitted to the Ministry of Interior on 12th September, for clearance. However, almost a month later, the Society has not received any answer from the Ministry.

It is not for the first time that such complaints have been received from various quarters. In the past several teachers who were invited to participate in international seminars and conferences were subjected to the same treatment by the authorities. In most cases, the persons applying for permission to proceed abroad either do not receive any response from the concerned ministries or else, receive permission after the commencement of the conference. If the individual is lucky and the conference to which he is proceeding is for a duration of a week or more, he can still try to make it in time. However, in most cases such international conferences or seminars do not extend beyond three days. It is, therefore, not possible for the invitee to reach it in time for meaningful participation. Recently, a sports team from Islamabad which was proceeding abroad for participation in an international match was granted permission on the same day that the matches were scheduled to start. Because of this attitude of the authorities, Pakistan's representation at various international events goes by default. While in some cases participation may not be that crucial, in others, it seriously jeopardises our national interest.

Speaking of the present example, one can only say that if permission had been granted in time to the Human Rights Society to participate in the Conference, it would only have been a plus for the authorities since the Society would have been in a position to express Pakistan's point of view on the issues under consideration and also to challenge the allegations made against the government in the field of human rights by international bodies from time to time. Similarly, in the case of teachers who are invited to participate in important confe-

ences, their representation would only lead to a better understanding of Pakistan's problems and position on various issues rather than detracting from its prestige.

In the past, the excuse usually advanced by the authorities for curtailment of foreign trips and refusal to grant NOC is that there are financial constraints. This may well be and while the authorities would be compelled to deny permission in certain instances it does not apply to all cases. Where the individual invited to participate either receives a ticket or is willing to bear their own expense, the rigid and short-sighted attitude of the authorities is not only incomprehensible but also damaging to its own interests. It would appear that the NOC has begun to be used as some kind of a weapon instead of merely streamlining the procedure for foreign trips.

The decision of the Government to liberalise availability of passport is a welcome step but it is only going to be useful for the common man when apart from simply providing him with a passport, the Government also liberalizes the rules and regulations pertaining to international travel. In this rapidly developing modern age an essential pre-requisite of intellectual development and advancement is a free-exchange of ideas and information which can be better facilitated if pointless and strangulating restrictions on external trips are lifted and the citizens of Pakistan are allowed to travel abroad freely. The present rules only serve to damage official interests and impart a needless sense of frustration and confinement to the nation.

CSO: 4200/59



## 'BUY PAKISTANI' SLOGAN VS. REALITIES DISCUSSED

Peshawar KHYBER MAIL in English 11 Oct 82 p 3

[Text] "Be Pakistani, buy Pakistan", is an attractive slogan though not perfectly original. It is but a stale copy of an Indian slogan: "Be Indian, buy Indian". The Indians have bought Indian for the simple reason that country closed its doors to unnecessary imports of consumer goods long ago. Either one had to buy what was Indian or go without it, especially luxury goods. We have on the other hand official imports which compete with local manufactures, non-official imports which are smuggled through the back-door and other imports which are sheer waste. An example of the latter is the much-criticised cassettes of Indian films and music, either of them being much below the standard of the local films as well as music, but searched for and obtained at high prices because there is excess money in pockets and little control over the trade. It is absolutely no use hitting at the Bara markets, or condemning the youth of the country. The imports have already been paid for and the goods brought in. They are liable to simple wastage if they are not sold or used. The only way the rot can be stemmed is to put the embargo in practice at the source: the smuggling rackets. They flourished unchecked because of extensive corruption in the rank and file of those who are charged with the use of the ban on the trade. It is surprising that India has successfully combated the evil while we are still fumbling, and every time we make a move, there is something or the other which steps in our way. We read so much of the slogans in the press or hear or see them on the Television that it nauseates us, considering the enormous difference in our theory and practice. It is no use looking at moralising, because it has not effect on the people who indulge in these practices. Laws are made only to be flouted through corrupt means and there is no one who can find exceptions to the general rule. Whatever laws are there can be enough if they are rigidly implemented in matter as well as spirit. The only problem is how to ensure this implementation which is the biggest one for the Government to solve.

The reason why this demand for foreign goods has risen in the country are twofold. Firstly there is a good deal of excess money which goes around, not all of which is properly earned. Secondly, in the case of local goods available, the prices are high and the quality low. The manufacturers and traders complain that in most cases, the excise duties on imported raw material or parts is too high, and quite often the comparative scale of duty on the import of finished products is lower and their quality better. Our industry and

trade is also based on high-profit standards. The result is that the locally manufactured goods are in less demand. Take, for example, electrical goods. The quality of the plugs, joints and wire is so low that many of these do not last very long, as also do the bulbs which are marked at powers which they are not compatible to. The consumer would argue it this way that if he buys imported product costing a little higher but lasting ten times the period of the indigenous goods, he has to make lesser investment and also escape the botheration of always running out to purchase replacements.

In another case, that of plastic goods, the duty on the raw material is of the nature of 250 per cent and if the proper quality goods are made out of it, the end market value with the retailers would be so high that nobody would buy them. As a result, fancy products but with an absolutely minimum of quality are produced, which do not last very long. Many of the products for domestic use, like buckets and so on, are in demand because the iron alternatives are too expensive. Having become a necessity rather than a luxury, it is a wonder why it has not yet been considered to produce our own plastic raw materials, for which, we are sure, the technology is not so complicated. We must be spending colossal sums in importing the plastic raw material which could be manufactured locally if a proper plant is set-up here and the base produced here. This could be done in many other directions where the raw materials are imported and are of a nature of half-manufactured materials. With the coming of the Pakistan Steel Mills on the stream, it may be quite possible for a variety of capital goods to be made for the purpose. A study of the total perspective provides us with a bewildering anarchy prevalent in the trading sector, and we wonder there has been no proper study of the whole gamut of the operations, especially with a view to preserving the largest quota of foreign exchange for the development of consumer goods, without being pressurised into making exceptions for the sake of vested interests which always like to continue in the old patterns of trading rather than getting into manufactures for the sake of indigenous self-sufficiency. If the public is denied certain luxuries for the time being for the sake of better days ahead, we are sure it would not complain.

CSO: 4200/59

## ALLOWING PRIVATE COLLEGES RECOMMENDED

Karachi DAWN in English 18 Oct 82 p 9

[Text]

THE plea to the Sind Government from some quarters to allow the establishment of private colleges in the province deserves a positive response. Why a decision on this issue is being delayed is not quite clear, especially when the Federal Government has already announced that the Provincial Governments are being directed to allow the private sector to set up colleges and the Sind and Baluchistan Governments are already reported to have taken measures in this respect. It is now quite obvious that the Government is unable to cope with the growing pressure on colleges from the increasing number of matriculates who pass out every year. In 1982, over 40,000 students passed their school leaving examination in Karachi — a rise of 54 per cent over the past five years. But the increase in the number of colleges in the same period has been only 7 per cent. True, the haphazard expansion of college education, especially if it is not related to the employment needs, is not at all desirable. Hence, we have on a number of occasions called upon the educationists and the Government to get down to the task of assessing the employment opportunities available in the city and then drawing up a plan for the diversification and expansion of higher education.

This will take some time. In

the meantime it is important that the Government should proceed on the basis of some broad assumptions based on correct data and information. Thus, it needs no profound appraisal to reach the conclusion that colleges, especially institutions for teaching science, technology and commerce, are in great demand. Not only is the pressure for admission greater on these colleges; there is scope for further expansion in them in view of a general shortage of people qualified in these disciplines. Thus, the establishment of some science and commerce colleges and polytechnics can be taken to be urgently needed. Although, to provide education to the citizens is the primary responsibility of the Government, it is also evident that our Government with its low allocations for education is in no position to fulfil its responsibility. The alternative is that some of this responsibility should be shared by the private sector.

The permission to the private sector to open colleges should, however, not be construed as giving the green light to commercialisation of education. Private colleges, when they are allowed to be set up, should be strictly governed by the same rules and guidelines which operate for Government-run institutions, the only exception

being that of finance. To be economically viable, they will either have to be given a grant by the Government or will have to be given permission to charge higher fees. But the fees to be charged as also the salary structure of the teachers must be strictly regulated by the Directorate of College Education. This department will also be expected to carry out periodic inspections to ensure that private colleges maintain the academic standards necessary to impart education at the degree level. It is important that these institutions serve as a means of self-employment for well-meaning people dedicated to the cause of education, so that they can fulfil a crying need of society without becoming instruments of extortion and commercialisation in the process.

CSO: 4200/60

## MRD STATES CONDITIONS FOR JOINING ROUNDTABLE

Karachi DAWN in English 18 Oct 82 p 13

[Text]

LAHORE, Oct. 17 The MRD components would attend the round-table conference being arranged by Maulana Shah Ahmad Noorani of the defunct JUP provided each of the eight constituents was invited separately and a copy of the agenda was supplied in advance. This was stated by Rao Abdur Rashid, Coordination Secretary, MRD, Punjab, at a Press conference here this afternoon. Rao Rashid has received a communication to this effect from the Secretary-General, central MRD, Khwaja Khairudding.

He said if even one component was not invited, the entire MRD would boycott the conference.

He maintained that elections would be acceptable to the MRD only if they were held under the 1973 Constitution and on the basis of one-person-one-vote. The MRD believed that the present Government had no right to change the mode or rules of the elections. It should and could be left to the elected parliament.

He dispelled the impression that the parties or any party of the MRD had any contact with the Government. The only point on which there could be negotiations with the Government was restoration of democracy. The reports suggesting that there had been some contact

with the Government was an attempt to confuse public opinion, he added.

Answering a question, he said the former West Pakistan Governor, Mr. Yusuf Haroon, who had called on a number of political leaders during his recent visit to Karachi had demanded elections and withdrawal of Martial Law.

He said that yesterday's meeting of the Punjab MRD had been attended by Mr. Hamid Sarfraz on behalf of the defunct Tehrik-i-Istiqbal, and Mr. Sarfraz would chair the meetings during his term as the convener.

Rao Rashid said that during his recent visit to Karachi he had met Begum Nusrat Bhutto and Mr. Ghulam Mustafa Jatoi and the latter had categorically denied that there was any move to cooperate with the Government or join any national government under Martial Law. These were just rumours floated by the interested quarters to mislead the public opinion, he added.

He said Begum Bhutto had also told him that the Government had taken as many as 52 days to inform her that a board of specialists should be set up to examine her before permission to go abroad for medical treatment could be given.



WOMEN LAWYERS PROTEST PROPOSED QAZI COURTS

Karachi DAWN in English 18 Oct 82 p 7

[Text]

A meeting of the Executive Council of the Pakistan Women Lawyers Association held under the chairmanship of Mrs Rashida Patel has protested against the proposed ordinance for the Establishment of Courts of Qazis and has strongly objected to the Qazi Courts proposed jurisdiction for deciding cases relating to Family Laws:

It pointed out that the Family Law Courts Act, 1964, had made procedures in Family cases simple and provided for reconciliation. The necessity was to increase the number of Family Courts and ensure that cases are heard from day to day for speedy justice, resolution passed by the association said.

It recommended to the Government of Sind that Section 21 of the Family Law Courts Act be deleted, as it is an unnecessary legal requirement to sent notice of decree of dissolution of marriage by a Family Court to the Chairman

Panchayat Committee for proceedings under Section 7 of the Muslim Family Laws Ordinance, 1961.

"The Family Court having attempted reconciliation before and after recording evidence, there is no possibility of reconciliation after the decree is passed.

"Section 21 causes unnecessary harassment and hardship to women and confirmation of divorce is delayed for three to six months after decree for dissolution of marriage by the Family Court."

It recommended to the Government of Pakistan that clause 2 of Section 7 of the Muslim Family Laws Ordinance, 1961, be amended so that the wife to whom Talaq has been pronounced should also be entitled to file notice of Talaq before the Chairman Panchayat Committee. As much women face distress when Talaq pronounced by the husband is not intimated to the Chairman Panchayat Committee."

CSO: 4200/60

# OVER ONE DOZEN APPLICATIONS FOR PRIVATE AIRLINE

Karachi DAWN in English 18 Oct 82 p 1

[Article by M. Ziauddin]

[Text]

ISLAMABAD, Oct 17: The Government has so far received "over a dozen" applications for setting up an airline in the private sector.

This was disclosed here today by Maj-Gen (Retd) M. Rahim Khan, Secretary-General of Ministry of Defence and Chairman of the Pakistan International Airline Corporation (PIAC).

He, however, made it clear that so far the Government had not taken any firm decision in this regard and was still examining the various possibilities.

Gen Rahim Khan said further that the options before the Government included another airline in the public sector, floating a subsidiary of the PLA and a joint venture of PLA with a private party, besides allowing the establishment of a purely private airline.

He said the Government was also considering the possibility of expanding the existing facilities and operational capabilities of PLA as

an alternative to establishing a separate airline.

Explaining the reasons for the delay in taking a firm decision in this regard, Maj-Gen Rahim Khan said that managing an airline was a highly sophisticated operation, and the Government, therefore, would like to examine the matter thoroughly before committing itself to one of the various options under consideration.

He said: "If at all a decision is taken to allow the establishment of an airline in the private sector, the Government would be obliged to grant permission to only those parties or party which have/has the requisite experience and know-how of running a commercial airline."

He once again stressed that the whole idea was still in the formative stage and details about the matter could only be worked out after a policy decision was taken by the Government in this regard.

CSO: 4200/60

CIVIL AVIATION AUTHORITY STARTS FUNCTIONING

Karachi BUSINESS RECORDER in English 21 Oct 82 p 8

[Text]

The proposed Civil Aviation Authority (CAA) has for all intents and purposes started working and its first Director General has also been appointed.

However, the ordinance in respect of setting up of the CAA is now being vetted by the Federal Law Ministry and will be promulgated within a few weeks. Thereafter the authority will formally start working.

This was disclosed in interview in Karachi yesterday by the Secretary General, Defence and Chairman PIAC, Maj.-Gen (retd) Rahim Khan.

He said the CAA will be fully autonomous and have powers to execute work on projects relating to development of airports in the country without going through the normal lengthy procedure.

He said the federal government would support the authority in execution of its development projects. During the current year, the Civil Aviation Department is getting Rs. 27 crore annually for its development projects. He, however, said that between Rs 50-60 crore were needed annually for development projects of airports.

Replying to a question, the Secretary General, Defence, denied that money realised from passengers as airport tax and landing charges realised from aircraft using airports was not being spent on development of airports. He said this was true until few years back. "The amount now being provided by the government for the development of airports in the country was more than the revenue earned by the Department of Civil Aviation annually from airport tax and landing charges", he added.—PPI.

# MORE FUNDS FOR AIRPORT DEVELOPMENT AGENCY

Karachi BUSINESS RECORDER in English 21 Oct 82 p 8

[Text]

The Airport Development Agency will get a shot at the arm from the next financial year with allocation for airport development project rising to approximately Rs. 60 crore from the annual allocation of about Rs. 20 crore.

The enhanced allocation will be reflected in the next Annual Development Programme and the level will be maintained over the next five years.

This was disclosed at the end of a high level meeting, held in Karachi yesterday under the chairmanship of Maj. Gen. (retd) M. Rahim Khan, Secretary General Defence, to consider emergency as well as long term measures to alleviate the present difficulties being faced by the air travellers in Pakistan and plan for the future growth in air traffic.

Giving details of the agency's development programme, an ADA spokesman said that major projects included a new airport at Karachi to be completed by 1985-86, new airports at Lahore and Islamabad and additional runway at Karachi, strengthening of existing runway at Faisalabad and extension of runways at Lahore and Islamabad.

Rebuilding of terminal two at Karachi airport with covered area of 1.11 lakh sq feet is being taken

up as a special project on an emergency basis and will be subsequently incorporated in the new airport project for Karachi.

The new terminal two will be ready for use by the end of next April.

It is learnt that increased availability of cement in the country had encouraged the agency to plan concrete runway in the country instead of the asphalt paved one or which bitumen had to be imported. The switch over to cement to pave runways would bring about considerable saving in foreign exchange as 10 new runways are planned to be laid for feeder air service within the next 5 years.

Later addressing the engineers and officials of ADA, Maj. Gen. (retd) M. Rahim Khan said that the agency should gear itself up to meet the growing competition from other agencies and not to depend on government patronage. It should be able to secure contracts on the basis of proficiency, competitive rates and the ability to complete a project within the target.

He assured the employees that no retrenchment was contemplate, but at the same time the present manpower strength should be fully utilised.

CSO: 4200/61

MANUFACTURE OF SUB-STANDARD ARTICLES BANNED

Karachi BUSINESS RECORDER in English 21 Oct 82 p 1

[Text] The Government of Pakistan has prohibited from Nov. 1, the manufacture and keeping in stock/sales of articles which do not conform to the Pakistan Standards mentioned against each, says a press release issued in Karachi by Pakistan Standard Institution yesterday.

The items are:--

- Asbestos cement corrugated sheets for roofing and clading PS: 430-1964.
- Asbestos flat sheets PS: 579-1966.
- Electric kettles for domestic use PS: 253-1963.
- Ballast for fluorescent lamps PS: 497-1965.
- Electric toaster PS: 661-1967.
- Mild steel oil pressure utility stoves PS: 797-1970.
- Oil pressure stoves brass type PS: 682-1979 (R).
- Non-pressure oil stoves PS: 928-1972.
- Banaspati PS: 221-1981 (R).
- Port-land Cement (ordinery and rapid hardening) PS: 232-1962.

The Pak Standards Institution has advised the manufacturing units of the above articles to obtain PSI-C Certification Marks Licence beforehand to avoid, any inconvenience.

The stock holders and shopkeepers must ensure that the stocks of the above articles kept in their shops for sale must be acquired from a PSI-CM Licence.

After Nov. 1, 1982, PSI staff will make surprise inspections and the units found manufacturing above articles without PSI-CM Licence will be liable to prosecution under the law. Even shopkeepers found keeping the stocks of these articles obtained from a non-Licensee of PSI will be liable to prosecution.



SEPARATE PLANNING CELL ESTABLISHED TO ENCOURAGE PRIVATE INVESTMENT

Karachi BUSINESS RECORDER in English 21 Oct 82 p 1

[Article by Babar Ayaz]

[Text] A private sector section has been established in the Planning Commission of Pakistan at Islamabad, it was learnt here yesterday.

Informed sources said that the private sector section has been established by the Planning Commission in line with the present Government's policy to encourage private investment.

They said that this section will prepare an indicative plan for the private sector besides the usual investment schedule.

They explained that the private sector indicative plan would be a part of the Sixth-Five-Year Plan. It would help the private sector in the selection of areas of investment.

The purpose of indicative plan the sources clarified, would not be to determine the course of investment and development for the private sector like the plans prepared for the public sector.

Besides indicative planning this section would keep constant liaison with the private sector so that their views could be accommodated while formulating plans concerning them.

The private sector section will conduct studies to identify the problems of and impediments in the way of private sector investments. It will also review the private investment scene periodically besides searching for new directions.

CSO: 4200/61

## QUESTION OF WHEAT, SUGAR SURPLUSES DISCUSSED

Karachi BUSINESS RECORDER in English 7 Oct 82 p 2

[Text]

There is no denying the fact that Pakistan has not only become self-sufficient in wheat but has also entered the export market. This is, undoubtedly, an achievement for which the concerned authorities deserve to be complimented. Also, the weather is to be thanked for being clement. Autarky in wheat had eluded the country for quite some time, for which we had to pay a heavy price. Large scale imports of the commodity not only consumed a big chunk of our hard-earned and scarce foreign exchange but also had political repercussions. The need for becoming self-sufficient in respect of this crop which forms the staple diet of the people, was imperative. After assuming office in July 1977, the present regime made concerted efforts in this direction and over a period of two years, we were able to produce enough wheat to meet our requirements. A year later the production exceeded the requirements and this year we have entered the world

wheat market.

Another achievement is the bumper production of sugar in which this country had remained deficient for long. The production of this commodity has also gone so high that we have started thinking of entering the export market. But for the production costs being so high, we would have been exporting sugar by now. Bumper sugarcane production supplemented by appropriate taxation policies, the country produced more than 1.2 million tons of sugar this year. After meeting the home demand, we have been left with a surplus of about four to five lakh tons. But our cost being as much as 430 dollars per ton against the international price of 200 dollars per ton, it has become impossible to sell sugar abroad. Now the question is: What would we do with the extra quantity? Plans are there to increase production still further and when a larger surplus may be expected next year, how is the present surplus to be

disposed of? Will it be left in the godowns to deteriorate? Will it be unloaded in the domestic market next year, and all the fresh production exported. What is the guarantee that the costs will be reduced and the world prices would either rise or remain unchanged so as to enable us to sell the surplus in foreign countries. These questions have got to be answered before planning to increase sugar production next year. What incentives will the industry have to enhance production? The present situation has actually been quite disappointing for it. We had proposed export of sugar when the world prices had not depressed so much. Had a decision been taken then, by now we would have sold almost all the surplus stocks at manageable losses and would have been in a better position to plan for the future. Now, of course, we are faced with an almost impossible situation. A sane decision taken at the Cabinet meeting the other day is to keep the prices of sugarcane unchanged. A premium on better sucrose content is alright. The Government has thus linked the prices with the quality of sugarcane, otherwise the sugar problem would have become more difficult. This is sagacious and would not be resented by anyone.

The situation on the wheat front is not very different from that of sugar. Domestic wheat prices are also higher than

the world prices. Whatever little has been sold abroad this year, has been done with great difficulty. Our main customer of wheat has been Iran. The support price for the next crop has been further increased by Rs. 15 to Rs. 160 per 100 kg. It may help the growers to increase production. But what shall we do with the surplus produce? As far as the domestic consumers are concerned, 'for the time being' they will not have to pay more. But when the next crop comes into the market the prices are bound to increase. It would be a strange phenomenon if the prices rise with the increase in supplies without any corresponding increase in demand.

It was in this context that we had stressed the need for working out a cost-output ratio of all important crops and then fix the procurement prices. But we regret to say that nothing has so far been heard about any such exercise, while the prices have been further raised. We welcome the measures being taken to increase the per unit yield of all the crops. But at the same time we must try to reduce the costs so that the end-prices do not increase more than the world prices. If at the moment, import of sugar is cheaper, why should one spend foreign exchange on the import of pesticides, fertilisers and costly sugar mill plants to increase domestic production? Domestic consumer is willing to pay even a

little more for the domestic products to encourage domestic industry. But to force him pay just double or more than what he would have to pay for imported goods is rather too much to ask of him. Besides, incentives in the form of increased prices have a chain effect and finally it becomes difficult to break the chain. This country has the potential of increasing production with minimum of costs.

What we need is proper guidance and the adoption of scientific ways of cropping. This can be done by making agricultural extension services more efficient and more effective.

CSO: 4200/57

BRIEFS

KARACHI'S JOBLESS NUMBER 1.3 MILLION--ISLAMABAD, Oct. 6--The population of the major cities of Asia and the Pacific will double by the turn of the century, growing by almost 700 million. With Asian cities already under the pressure of recent population growth, such a rapid increase in the next two decades threatens a chaotic degeneration of urban living. According to the fact and findings discussed at the Third Asian and Pacific Population Conference recently concluded in Colombo (Sri Lanka), 20 to 30 per cent of Karachi's 5.3 million people are jobless or underemployed. On average, 37 per cent of Asia's urban population are forced to live in slums and squatter settlements. The proportion is much higher in some cities, the findings say. The projected population increase means that hundreds of million of new housing units will have to be built in Asian cities, and as many as new jobs created. Large-scale expansions and improvements will need to be carried out on roads and public transport systems sanitation and sewerage, schools and hospitals and other civic facilities, most of which are already severely strained in many cities. [Karachi BUSINESS RECORDER in English 7 Oct 82 p 3]

POET BAILED--ISLAMABAD, Oct. 7--Hassan Abbas Reza, a local poet, booked for publishing objectionable material in his magazine 'Khayaban' was bailed out by a local Magistrate here yesterday. He was arrested by Satellite Town police over a couple of weeks back and ceases under MLR 49 and section 56 of Press and Publication Ordinance were registered against him. Yesterday following the withdrawal of case under MLR49, he was released by a local court on cash bail bond of Rs. 10,000. Meanwhile, raids are continuing for the arrest of his co-accused, Mahmooda Ghazia, working with the same magazine. [Islamabad THE MUSLIM in English 8 Oct 82 p 3]

NEW URDU DAILY--LAHORE, Oct. 8--Another Urdu newspaper is going to make its debut from Nov. 1 from Lahore. The daily 'Jurat' will be published under the Chief Editorship of Jamil Athar while Rehmat Ali Razi will be its Executive Editor. [Islamabad THE MUSLIM in English 9 Oct 82 p 10]

GATES AROUND MINAR-I-PAKISTAN--The five gates, with the outer wall to be built around Minar-i-Pakistan, would represent the five units as envisaged under the historic 1940 Resolution. Work on construction of "Bab-e-Punjab", "Bab-e-Sind", "Bab-e-Baluchistan", "Bab-e-Sarhad" and "Bab-e-Muslim Bengal" would start shortly under the Minar-i-Pakistan Development Scheme, being carried out by the Lahore Development Authority. Under the scheme, it is learnt, the



"Bab-e-Muslim Bengal" would remain closed draped in black, reminding the East Pakistan debacle. [Lahore THE PAKISTAN TIMES in English 12 Oct 82 p 10]

PROFIT LOSS SHARING DEPOSITS--SIALKOT, Oct. 14--Describing the interest-free banking introduced by President General Mohammad Zia-ul-Haq as a solid step towards Islamisation of the banking system in the country, Allied Bank President Khadin Hussain Siddiqui told newsmen that more steps in this direction were being taken and very soon the whole banking system would be moulded according to the true tenets of Islam. He revealed that the Rs. 2000 crore target fixed for PLS accounts for 1982 by the Banking Council of Pakistan would certainly be achieved by the end of December. So far Rs. 850 crore has been deposited, he added. Giving details of defaulters, he added that at present there are 34,000 cases pending in various courts against defaulters involving about Rs. 500 crore. Stringent measures, he said are being taken to check the day-to-day increase in cases of embezzlement in banks. All such cases are being referred to the Martial Law authorities, he added, and it was hoped that the banking field would be purged of all bad elements. The ABL President also disclosed that drastic steps are being taken to check the misuse of conveyance provided to bank managements. [Lahore THE PAKISTAN TIMES in English 15 Oct 82 p 8]

OFFICIAL ON DENATIONALIZATION--Dr. Mahbub-ul-Haq, Deputy Chairman, Planning Commission, told PPI in Lahore on Friday, the Government was prepared to denationalise any industry of the public sector, including cement, ghee and fertiliser units, provided reasonable offers were made. [Lahore THE PAKISTAN TIMES in English 16 Oct 82 p 1]

MAGAZINE FORFEITED--The Government of NWFP have forfeited all copies of the Urdu weekly magazine 'Hayat' under the West Pakistan Press and Publications Ordinance 1963, as they contained venomous materials against Pakistan. [Peshawar KHYBER MAIL in English 15 Oct 82 p 6]

PAKISTAN-ROMANIA ECONOMIC BODY--ISLAMABAD, Oct 18--The Romania-Pakistan Joint Economic Commission will meet here from Nov. 15 to 20 to explore ways and means to promote the bilateral and economic relations between the two countries, it was learnt here today. The Romanian delegation to the Joint Commission meeting will be led by the Minister of Chemical Industry, Mr. George Caranfil. [Karachi MORNING NEWS in English 19 Oct 82 p 10]

OMANI NAVAL COMMANDER VISITS--(J. B. Gani), naval commander of the Sultanate of Oman, arrived in Islamabad today on a week's visit to Pakistan. Later, the Omani naval commander visited the naval headquarters and exchanged views with the acting naval chief on matters of interest to naval forces of both countries and the general naval situation in the region. He was presented with the insignia of the Pakistan Navy. [Text] [BK241600 Karachi Domestic Service in Urdu 1500 GMT 24 Oct 82]

ROCKET PRODUCTION--The Pakistan Space and Upper Atmosphere Research Commission [SUPARCO] has established a rocket production plant in Karachi to manufacture rockets for higher altitude scientific research. The Radio Pakistan's Karachi representative says the [words indistinct] rocket manufactured in the country meets international standards in terms of performance and safety. The special program of the SUPARCO includes the monitoring of the pollution level in the atmosphere and use of satellite for communication purposes. [Text] [BK260441 Karachi Domestic Service in English 1700 GMT 25 Oct 82]

MRS BHUTTO'S CONDITION SERIOUS--The condition of Mrs Nusrat Bhutto, who is suffering from lung cancer is said to be serious. United News of India has quoted (Abid Zubedi), a leader of the Movement for Restoration of Democracy [in Pakistan] as saying that she is having difficulty in walking and is feeling exhausted. Doctors have advised Mrs Bhutto to go to Vienna for treatment. [Text] [BK230702 Delhi Domestic Service in English 0240 GMT 23 Oct 82]

TRADE CARAVAN TO CHINA--A 33-member border-trade caravan of Pakistan has left Gilgit for Xinjiang through Khunjerab. It is led by the additional commissioner of northern areas. During its stay at Kashgar, the caravan will exchange articles worth 2.2 million rupees. Exports from Pakistan under border trade include dry fruits, linen cloth, razor blades and medicinal herbs, while those from China include cloth, crockery and hardware. Radio Pakistan Gilgit representative says the Pakistani caravan is the second after the formal opening of the Khunjerab Pass for civilian traffic. [Text] [BK261631 Karachi Domestic Service in English 1005 GMT 25 Oct 82 BK]

BANGLADESH-PAKISTAN SHIPPING ACCORD--Pakistan and Bangladesh have set up a conference line which will be called the Bangladesh-Pakistan West Asia Gulf Conference. An agreement to this effect was signed in Karachi on 21 October. [BK270423 Karachi Domestic Service in Urdu 0200 GMT 22 Oct 82 BK]

ELECTION TO UNSC--The foreign secretary has said that Pakistan's unopposed election to the United Nations Security Council's seat was a great honor for the country and that it reflected the magnitude of trust and confidence Asian nations had in her. Speaking during a television program on the occasion of UN Day, he said this also demonstrated the success of Pakistan's foreign policy, which is based on principles. He added that Pakistan had never sacrificed these principles. He expressed the hope that Pakistan will fully represent not only the Asian nations but also the nonaligned and the Islamic nations at the Security Council. The foreign secretary said that Sri Lanka's withdrawal from the contest in favor of Pakistan reflected Sri Lanka's friendship with Pakistan. Pakistan will represent Asia at the Security Council for the next 2 years, and during this period many important and delicate issues will be presented before the world body. He said that Pakistan's role in this regard will be in line with its foreign policy and added that the Middle East, Palestine and Afghanistan are important issues where Pakistan must play a vital role. [Text] [BK250452 Karachi Domestic Service in Urdu 0200 GMT 25 Oct 82]

MANILA COLUMNIST WRITES ON POLITICAL CONTINUITY

HK230111 Manila TIMES JOURNAL in English 22 Oct 82 p 4

["Viewpoint" by Salvador P. Lopez: "For Political Continuity"]

[Text] If we are borne on a wave of "continuing revolution" toward which shore we are moving and in what kind of political weather?

I will hazard a guess--and it's only one man's guess: We will be cast upon the shore of a peaceful island. Though there will be dark clouds in the sky and a stiff wind blowing, we will land without mishap because someone will be piloting the boat who can steer it to the safest inlet on the rocky shore.

Who might the pilot be? None other than Ferdinand E. Marcos. Since it was he who brought us out upon the waters of a raging sea, it is he alone can bring us back to the haven he first bade us leave.

By such a device of metaphor, we can better indicate the responsibility resting on President Marcos to bring the nation out of the perilous quandary in which it finds itself. Buffeted by an economic storm of global proportions, faced by a rising clamor for an increasing measure of freedom, democracy and human rights, and burdened with a political system that does not seem to be working too well, the nation is groping for a way out of a grave triple crisis that confronts it.

The truth is that people have a natural preference for the rule of political continuity. This, however, is never an easy rule to observe at any time and the question remains one of the perennial subjects of political philosophy. The system of constitutional monarchy, which has been brought to perfection in England and the Scandinavian countries, is a transparent compromise between the vibrant principle of the sovereign power of the people and the vestigial principle of the divine right of kings. But the result is a reasonably stable and continuous system of political organization.

The risk of discontinuity, on the other hand, explains the universal concern which the question of presidential succession has aroused among Filipinos. Since the present system does not provide for a vice president, the spectre of a sudden break does exist which cannot be exorcised by the device of an appointive executive committee.

This device, in fact, focuses attention on the subliminal danger of a sudden break in the political organization of the state as a consequence of revolution or a coup d'etat which cannot, of course, be entirely excluded. The Philippines has undergone the experience of political discontinuity at least four times during the present century: The revolutionary government, the American colonial rule, the Japanese military occupation, and the regime of martial law.

There is no reason to believe that we have seen the last of them.

Nevertheless, the desire for some kind of measure of political continuity is a natural one. I believe it is true to say that the majority of the people would prefer such continuity to the uncertain hazards of political change brought about by revolution or by a coup d'etat.

True, a revolution will occur anywhere only when the conditions are ripe for it. But violent revolutions as a means of redressing social injustice have had a vicious propensity for creating other, newer forms of injustice, so that they cannot be considered as indisputably the best way of procuring social change, however unavoidable they might really prove to be.

As for a military coup, let no one say that it can never happen in the Philippines. All the essential elements are present and in place, and it only requires the concurrence of circumstances and opportunity to trigger one such coup into existence.

These ever-present alternatives render all the more necessary a determined effort on the part of President Marcos and the leaders of the opposition to find some means of resolving the differences that now divide them. While those differences cannot be minimized, no one can really know their measure until responsible representatives of the two sides sit down together to consider them.

But this can only happen if both sides agree to suspend the continuing battle of press releases and press statements, and begin to explore possibilities of cooperation.

It is not going to be easy. But let no one forget: The issue is between political continuity achieved through the participation of the party in power and the opposition in legitimate political action, political discontinuity brought about by the threat of force or the use of force, in the course of a revolution or a coup d'etat.

Put differently, the issue is between the survival of democracy in the Philippines, and its eclipse for a very long time to come, if not its final death.

CSO: 4200/53

MARCOS INAUGURATES KEY DAM PROJECT 27 OCTOBER

HK280012 Manila Far East Broadcasting Service in English 2330 GMT 27 Oct 82

[Excerpts] President Marcos, before 100,000 cheering Ilocanos, predicted yesterday that the Magat high dam would transform the Cagayan valley and Region II in northern Luzon into the breadbasket of the Philippines. Inaugurating together with the first lady and Human Settlements Minister Imelda Romualdez Marcos the Magat River multipurpose project, the president ordered the cabinet to set aside 1 billion pesos for Region II to accelerate the development of the Cagayan valley, including the Batanes Islands. The president also released another 5 million pesos for the region to repair public works projects destroyed by the last typhoon, on top of the 10 million pesos which Malacanang had released earlier for the region.

The president and the first lady flew to Isabela yesterday to officially start up the 5.5 billion peso Magat dam and the reservoir complex, which includes an unfinished hydroelectric power plant. The finished structure, which stands out as a monumental achievement of the administration, has so far cost 3.3 billion pesos. This figure does not include the electric power phase of the project, which will cost 2.2 billion pesos.

The president underscored the importance of the Magat high dam and the significance of his and the first lady's visit to Isabela, in the heart of the Cagayan valley. The program, held in Barangay Aguinaldo in Ramon, Isabela, was actually a joint affair. First the inauguration of the Magat River multipurpose project, and the commemoration of the 10th anniversary of the tenant emancipation decree. Concerning this anniversary, the president and the first lady distributed yesterday 25,000 land titles to farmers from the country's 12 regions, making them absolute owners of the land they till and occupy in accordance with the government's land reform program.

Stressing the importance of the occasion, the president said land reform is not just a transfer of land from the landlords to the farmers but is a package of economic benefits intended to make farmers self-reliant and productive.

CSO: 4200/53



MEETING NOTES MINDANAO PEACE, ORDER PROBLEMS

HK190144 Manila TIMES JOURNAL in English 18 Oct 82 p 2

[Text] The Regional Peace and Order Council had adopted several measures to counteract possible increase in subversive infiltration and expansion in central Mindanao. Military officials said subversion remains the biggest threat to the security and development of the region.

The council meeting was attended by military officers, regional, provincial and local government officials, the religious and media. It was presided by Chairman Simeon A. Datumanong and Regional Command 12 Chief Col Valerio C. Perez.

The New People's Army [NPA] propaganda machinery is very active and the NPA has already infiltrated various kinds of organizations, Col Raul Urgello, intelligence officer of central Mindanao command told the council.

Col Rodrigo Gutang, Recom 12 deputy commander for operations, said the "threat of subversion in Region 12 should not be taken for granted."

North Cotabato Gov Carlos B. Cajelo said the Communist Party and NPA, which have a mass base in the borders with Bukidnon, Davao and north Cotabato provinces, would like to penetrate and control Arakan valley to be made into their jumpoff point for infiltration into the other provinces of the region. The governor and the military officers underlined the need for greater involvement of local governments and the civilian population in the campaign against dissidence.

The peace council also decided to:

--Initiate more dialogues with the people in the rural areas to ascertain their problems.

--Conduct follow ups on these problems to achieve tangible results in infrastructure projects and government services.

--Use the mass media to the fullest so that people may be well-informed of the real conditions obtaining in their localities and the dangers of communism.

--Assign more extension officers, field-men, social workers and health personnel to rural areas.

--Generate active participation of local governments, down to the Baranggay level, and civilian organizations to make government presence a reality to a greater number of rural folks.

--Impose proper conduct and discipline among soldiers assigned in far-flung areas.

CSO: 4200/53

LAYA REPORTS DETERIORATING ECONOMY

HK270251 Manila BUSINESS DAY in English 26 Oct 82 p 3

[Text] The country's deficit in its international payments in January-September reached \$747 million, more than double the \$365-million deficit in the same period last year, as export earnings again failed to match import payments.

Exports during the period totaled \$4.03 billion, down 8 percent from the yearago \$4.39 billion, while import grew 0.8 percent from \$6.02 billion to \$6.07 billion. The January-September trade deficit thus reached \$2.04 billion, up about 25 percent from \$1.63 billion.

The slack in demand abroad for Philippine products, particularly minerals and agricultural commodities, also slowed down activities of domestic business because of the resulting fall in the purchasing power of consumers.

To keep the economy active, the government jacked up its expenditures to P41.03 billion, from the yearago P34.13 billion, when its revenues amounted to P29.13 billion (from the yearago P26.62 billion). It thus overshot its targeted budgetary deficit. The banking system was thus tapped to cover most of this budgetary deficit.

Central Bank [CB] Governor Jaime C. Laya reported to President Marcos on the economic and financial developments during the first three quarters, saying the widening gap in the balance-of-payments position "continued to be of primary concern" and the government took measures for both immediate and long-run remedies of the deficit.

Among the immediate remedies were the streamlining of institutional arrangements to improve the inward remittances of earnings of Filipino workers abroad, the approval of the issuance of dollar-denominated treasury bills, and support of metals industries, the report said.

"A major development that could help achieve a more sustainable balance-of-payments position was the increase in the peso-dollar rate. To a large, however, the peso's deterioration was due to the continuing strength of the U.S. dollar," it stated.

"The continued control of external debt was addressed to the same problem and the unprecedented adoption of a quantitative ceiling of \$2.4 billion on new foreign borrowing approvals ensures the maintenance of the external debt at manageable levels."

However, the government measures do not seem to affect many businesses, according to businessmen contacted by BUSINESS DAY. They say their main problem is with liquidity--having funds for day-to-day operations since sales have gone down while costs of operations have remained high.

GNP: Laya's report said the country's total output of goods and services--or gross national product--grew 2.4 percent in the first semester from the same period last year, against a 4.3 percent growth in the first half of 1981.

Gross domestic product grew 2.9 percent compared to 4.0 percent in the same period last year. Agriculture recorded a 4.1 percent, led by the 5.1 percent growth in rice production which accounted for about 26 percent of total agricultural output, the report said.

Personal consumption expenditures grew only 2.6 percent, against the yearago rate of 4.3 percent.

Government expenditures grew only 4.2 percent this year, against 5.2 percent last year.

Yet the government in January-September had a budget deficit of P11.9 billion, already exceeding its targeted budgetary deficit of P10 billion for this year.

Laya said: "Efforts to keep budgetary aggregates within the constraints of resource availability...would go a long way towards more effective economic management as the economy prepares itself for the expected upturn in the world economy."

About P10.9 billion of the budgetary deficit was financed by the banking system. Such funding of the deficit will be "closely monitored" in line with the CB task to watch the growth in domestic credit, Laya said. The aim is to regulate the increases in credit and cash, to tune them with the target growth of the economy while maintaining a low inflation rate and narrowing the gap in the international payments, he added.

Despite the huge BPO [balance of payments] deficit in the first three quarters, total domestic liquidity reached P88.8 billion as of last September, up 17.2 percent from December's P82 billion. The CB early this year has set a 17 percent increase in total liquidity for 1982.

Credit: While the bulk of outstanding credit is still used by the private sector, the government's net availment during January-September grew faster than the private sector's. Government net borrowings amounted to P21.72 billion as of last September, or 50 percent more than P14.54 billion at end-1981, while the private sector's net credit reached P109.26 billion, 8 percent more than P101.27 billion end-1981.

Other highlights of Laya's report:

--The country's fixed term foreign debts (those repayable at a specified time as against revolving credit which can be automatically renewed), amounted to \$12.6 billion, up 10.8 percent from \$11.37 billion at end-1981. The outstanding debt as of September was about 30.8 percent of GNP;

--Revolving credit as of last June amounted to \$3.65 billion, or 6 percent more than the \$3.45 billion end-1981, for a \$199-million net borrowing during the first semester;

--Money market interest rates averaged 14.396 percent per annum during the first three semesters, against the yearago average of 15.45 percent a year;

--CB leadings amounted to P44.25 billion, or an expansion of P6.56 billion during the three semesters. The public sector accounted for P22.8 billion, and the private sector P13.66 billion. CB holdings of government securities amounted to P7.79 billion;

--The pesos's exchange rate against the dollar dropped 7.5 percent during the three quarters, at P8.4199 per \$1, from P7.8334 per \$1.

--Foreign loans approved during the period amounted to \$1.89 billion against a ceiling of \$2.4 billion for 1982. Some \$728 million of the approved loans were in official development assistance, which carry concessional terms;

--The increase in prices of consumer goods decelerated to 10.5 percent during the period, against 13.2 percent last year.

CSO: 4200/53

CHINESE-FILIPPINOS URGED NOT TO TAKE SIDES

Cebu City VISAYAN HERALD in English 16-17 Oct 82 p 4

[Article by Al Alinsug]

[Text] The way I sized up the toasts to the friendship of the People's Republic of China during a testimonial banquet in honor of the PROC visiting ambassador, Mo Yan zhong, we have to like China mainland because it can help us more. Improvement of socio-economic relations between the Philippines and China's PROC is the desire of our leaders of government, but not their ideology.

I was invited to three activities on the occasion of the Chinese ambassador's visit: the press conference at Mactan in the morning, the Ludo luncheon at the Revolving Restaurant, and the state dinner at Whitegold. I could only attend the state dinner, and it was revealing. The wide floor of Whitegold was full to capacity: about two thousand joined Mr. Yanzhong in the dinner. that's the estimate of OMA regional director Gene Labella with whom I was seated.

I tried to see and remember who were there: among the big names were Frank Benedicto, Mr. Esteban Go Sing King, Ben Chua, Lim Liu, Vicente Sabarre, Ric Ong and many others.

From talks I gathered there is at present a strong dividing wall that separates those who are sympathetic to PROC and those who are pro-nationalist government. lawyer Dito Florido, president of IBP-Cebu, confirmed this antagonism

While the Chinese in Cebu and others elsewhere in the country are mainly concerned with the aggrandizement of their businesses and social contacts, it will be for the enhancement of peace and unity of the Filipino-Chinese relations if this economic interest will not be confused with ideological interest. The Chinese in the Philippines should stay clear from ideological struggle. The moment they get inveigled in ideological issue, the government will surely run after them and they become enemies of the people. Maintaining the status quo will gain for them continued prosperity and peace. Democratic living should be their way of life and they should resist any attempt, should there be any, to make use of them for ideological purposes.

CSO: 4200/63



## LOCAL AUTONOMY TO BE WIDENED

Manila PHILIPPINES DAILY EXPRESS in English 22 Oct 82 pp 1, 7

[Text]

**THE GOVERNMENT** will continue to give more autonomy to civilian administrations in the provinces.

President Marcos made this assurance yesterday during his talk with Leyte and Samar officials at the People's Center in Tacloban City.

The President noted that in many instances, problems are better solved at the provincial level.

The President, together with the First Lady, and Human Settlements Minister Imelda R. Marcos, conferred with officials of two Eastern Visayas provinces on local problems, including the peace and order situation.

Mr. Marcos, who presided over the commemoration of the landing of the Allied forces 38 years ago last Wednesday, boarded the Presidential yacht *Ang Pangulo* shortly after lunch yesterday for a return trip to Manila. He is expected to be back in Malacanang early this afternoon.

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**DURING HIS** meeting with Leyte and Samar officials, the President was informed that with the opening of roads and highways, electrification of barrios and the spread of the livelihood program, the New People's Army's activities have dwindled to a few isolated incidents.

Deputy Prime Minister Jose D.

Rono told the President that the people of the region have realized that the government is sincere in pursuing the development of the region.

The government has poured in almost P1 billion for the development of Samar alone. The province was once a hotbed of subversion.

The President reiterated to the officials that the government would continue to emphasize socio-economic development in coping with subversion in the country.

The First Lady urged local officials to keep constant communication with their constituents in the barangays.

She proposed that officials keep records of government finances open for the public scrutiny to maintain, she said, public confidence in the government.

She also said processing villages will be set up in every region to help increase the value of local products.

The President reiterated that the country has adopted a strong work ethic as the basis for development and assured it would not find itself in a financial bind which many welfare states have fallen into. He cited the predicament of some welfare states that spend more than half their annual budgets for welfare.

On the livelihood program, the President cautioned against over-concentration of resources on a few products which, he said, may result in excess production and depressed prices. He urged that market studies should accompany KKK projects to ensure their viability.

# BANKS AWASH WITH CASH

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 pp 9, 10

[Article by George T. Nervez]

[Text]

**COMMERCIAL** banks are awash in cash with a total of P37.8 billion in cash and due from banks, according to data made public by the Central Bank.

The CB said yesterday that the combined resources of commercial banks amounted to P187.5 billion and end-September, an improvement of P4.2 billion or 2.3 percent from P183.3 billion in August 1982.

The increase in resources was

noted in both domestic and foreign banks, but the Philippine National Bank (PNB) and private domestic banks contributed P3.5 billion or 83.3 percent of the P4.2 billion asset expansion.

...

**ACCORDING** to the CB, there was a 'pronounced' increase in cash assets which rose by P2.5 billion or 7.2 percent from August 1982. Cash and due from banks of the

commercial banks amounted to P37.8 billion as of end-September 1982, higher by P8.96 billion or 31.1 percent compared to the level a year ago, the CB noted.

The CB report was significant in the wake of persistent complaints from the private sector that credit remained tight. On the other hand, monetary authorities have pointed out that there is adequate credit in the system.

The CB said that of the P2.5 billion increase in cash assets, a total of P2.1 billion were bank deposits with the Central Bank.

About P1.3 billion of the P4.2 billion increase in assets last month were in loans. As of end-September, outstanding loans stood at P117 billion representing 59.6 percent of resources, the CB pointed out.

## TOP FIRMS SALES RISE AS PROFITS FALL

Manila PHILIPPINES DAILY EXPRESS in English 21 Oct 82 pp 1, 6

[Article by Ray Magallanes]

[Text]

**THE COUNTRY'S** top corporations did not fare well last year, even if they post an increase in combined sales, because of rising costs of production and reduced consumer purchases.

This was reflected in a report made public yesterday by the Securities and Exchange Commission (SEC), which showed that the top 1,000 corporations made gross sale of some P220.2 billion last year, or 30.3 percent more than the 1980 level of P169 billion.

Net income, however, dropped from P5.6 billion in 1980 to P2.5 billion last year, or a decline of 54 percent, because of the losses incurred by several large corporations, with the mining companies incurring the biggest losses because of the sharp fall in the price of copper and other metals.

**OIL FIRMS** still dominated the whole picture in terms of sales with five of them occupying positions in the top 10 listing:

Petrophil Corp., P12.2 billion in sales and P43.2 million in income; Bataan Refining Corp., P11.2 billion and P19.2 million; Caltex Phils., Inc., P7.2 billion and P238 million; Pilipinas Shell Petroleum Corp., P7.1 billion and P40.4 million; Philippine National Bank, P5.6

billion and P230 million; San Miguel Corp., P5.3 billion and P283 million; Mobil Oil Philippines, P5.1 billion and P38.4 million; Manila Electric Company, which posted P5 billion in revenues but reflected total losses of P40.8 million; Philippine Airlines, which made P4.1 billion in sales but incurred losses totalling P959 million; and United Coconut Oil Mills, with total revenues of P4.1 billion and profits of almost P15 million.

**PILIPINAS** and Caltex merely changed places in the list, while Unicom displaced financially-strapped Construction and Development Corp. of the Philippines (CDCP) from the "Magic 10" to take the 10th position.

Contributing largely to the revenue-generating capability of the top 1,000 was the manufacturing sector which posted gross sales of P79.4 billion or 36.1 percent of the total volume. Wholesale and retail trade came in second with P65.8 billion or nearly 30 percent of the combined revenues.

**PLACING** third to sixth in that order were financing, insurance, real estate and business services, P33.1 billion or 15.1 percent; transportation, storage and communication, P12.2 billion or 5.6 percent; construction, P10 billion or 4.6 percent; and mining, P8.2 billion or 3.8 percent.

While manufacturing took the lion's share in sales, the bulk of net earnings made by the top 1,000 firms was

contributed by the financing, insurance, real estate and business services with P2.5 billion, with banking contributing P1.6 billion or 66.3 percent of the net income.

Manufacturing accounted for the second largest share with a net income of P576.9 million or 22.3 percent of the total income.

Mining, which was the third largest recipient of earnings in 1980's top 1,000 corporations, incurred the biggest loss (about P1 billion) last year.

Because of the severe business difficulties prevailing last year, 215 corporate entities - the biggest in number so far - incurred losses of P4.8 billion as against the 183 firms in 1980 which reported losses of only P2.5 billion.

CSO: 4200/62

CHINESE BUSINESS PRACTICES QUESTIONED

Cebu City VISAYAN HERALD in English 16-17 Oct 82 p 3

[Article by Eddie R. Gandionco]

[Text] The Chinese, it seems, have always had a somewhat greater weakness for money. Usually, a Chinese manager, running his own business, is only concerned about how much money he can squeeze out of it. Some Chinese businessmen have tricks up their sleeves when it comes to prices. They offer good prices. If the price is refused, the Chinese will warily explain that he can lower the price if the quantity is increased. He may even confide that by adulterating the quality a bit he can lower the price yet further.

A few Chinese entrepreneurs that are wise use a far-flung subcontracting network that allows him to produce a greater quantity more cheaply without getting involved in large capital outlays and unwieldy workers. And he may not have much of an establishment to boast of. And his customers and market are those that needs a particular product at a low price at a certain time. These group of Chinese and Chinese-Filipino businessmen are young, dynamic and growing; their approach is much looser and freer. They are more tougher and aggressive (included in this group are the technical smugglers).

However, Chinese unity in the Philippines for the past years has always a rare ingredient. The community is dissected by mutually exclusive and self-perpetuating social organizations and institutions. Many of the Chinese population remain content with their business and wealth. With themselves at the center of the country's economy, their lives have been organized around and within a framework of associations and societies in cozy seclusion from the multi-racial environment. Dealings across race barriers are confined to the top-most levels of government.

The growth of Chinese businesses and industries has created apprehension as well as fear from Filipino businessmen that given the Chinese penchant for family-owned corporations or firms, the Chinese and Chinese-Filipinos may well end up in full control of all businesses and industries in the country and the economy and the government. In the meantime, the Chinese amongst us are still conscious of their origin and culture, even though they have been born in this country and live here for many, many years



Almost daily you read in the newspapers of smuggling thru our ports Smuggling, a profitable if illegal form of private enterprise, is becoming an increasingly big problem for government authorities. Smuggling in and out of the country have mushroomed in the last decade and the trade is now certainly worth many millions. At the center of the smuggling trade are alleged to be Chinese and Chinese-Filipino businessmen and traders who have connections with top government officials and customs collectors and examiners and, the anonymity to make a success of a business of avoiding customs formalities.

It is true and it cannot be denied that many cases of smuggling have been cracked by the authorities, but for every load the customs and government agents stop or confiscate, a dozen shipments probably get through. And this is also true.

CSO: 4200/63

# JUDGE DEPLORES FALSE STATISTICS

Cebu City VISAYAN HERALD in English 16-17 Oct 82 pp 1-14

[Article by Mariano M Florido, Former CFI Judge]

[Text] We heard these several times from the mouth of the leadership: Our economy is doing well. The unemployment figure in the Philippines is only 4 per cent; inflation is only 10.5 per cent; domestic savings, 20.2 per cent; real growth rate 2.4 per cent (Virata's figure is 3 per cent), better than developed countries; foreign indebtedness, only \$12 billion; foreign investments, \$250 million a year; literacy is 100 per cent in Manila. We are a democracy. In our country there is freedom of speech and of the press; there is no violation of human rights.

To a Filipino who has lived in his country since the day independence from america was proclaimed in 1946, these utterances would pass from the sublime to the ridiculous.

There are several factors that come to assist the opinion-maker in these statements. First, the authoritarian juggernaut. In an era when the freedom of speech and of the press is restricted, or even tabooed, the only opinion that counts weight is that of the authority.

Second, the unrestrained resort to statistics to establish a point. For instance, one cannot rely on the accuracy that our unemployment rate is only 4 per cent, specially in the face of the unguarded admission that unemployment is rising everywhere; that because of the depressed labor market here, thousands of Filipinos seek employ- abroad.

Third, like the rich grafters, the truth about our present economic conditions can always manage to escape arrest. Says a Bulletin Today editorial: "There is of course the admission that the conditions are bad, and that is precisely the reason for pointing out, through official figures, that some fundamental aspects of the economy are surprisingly strong."

When government merely cites statistics, for convenience, to prove economic performance, the people who actually suffer under a dying economy would simply shrug off and say: "Damn the statistics!" For them, no better measure of such performance can match the performance of sufferings.

What about DEMOCRACY? What is DEMOCRACY? President Marcos himself citation of DEMOCRACY that because of the depressed that the most famous definition, of course, made by the great Pericles. "Our constitution is named a DEMOCRACY," he said, "because it is in the hands, not of the few, but of the many." If that is so, then his definition is the death-song of DEMOCRACY under our Constitution.

Can DEMOCRACY exist when the gap between the rich and the poor in the Philippines is so wide, it makes the poor the slaves of the rich? The President, again cites in his "Democracy and Revolution", Alexander Hamilton who said "that a power over a man's subsistence amounts to a power over his will."

Can a political society be called democratic when, under its laws, only one party can virtually be accredited to run in an election?

In the Philippines, there is freedom of speech and of the press; there is no violation of human rights. Our economy is great; unemployment rate is only 4 per cent; our inflation is only 10.5 per cent, better than most developed countries.

Let us say that President Marcos, during his 17 years as president, really tried hard to improve our economy. But, did he succeed? The ordinary citizen, the laborers, the students, the teachers, the house holders, the professionals, everybody knows that he failed. And this is not to be regretted because all the previous presidents before him also failed. It's another story if you irritate the people with statistics for they might ask you: "Where did you get your figures?"

I have read a reprint of the editorial of Wall Street Journal of September 24, on FM's state visit to US. I would prefer to limit my citation to its natural focus: "With the massacres in Beirut and the Philippine President's state visit, news coverage has focused on the imperfections of the two leaders (Menachem Begin and Marcos) and their governments. Mr. Marcos's rule in the Philippines certainly does have its imperfections, some of them baroque, and it is a good thing to have a forum in which he is called to account."

CSO: 4200/63

# MNLF RECRUITER SURRENDERS

Manila BULLETIN TODAY in English 27 Oct 82 pp 1, 6

[Article by Jose de Vera]

[Text]

GEN. SANTOS CITY, Oct. 26—One of the original framers of the "constitution" of the Moro National Liberation Front, responsible for initial recruitment of 20,000 MNLF rebels, gave up here today to military authorities headed by Maj. Gen. Josephus Q. Ramas, Army commanding general.

The "MNLF constitutionalist" and political commissar, Ben Harin Tan alias Commander Harid Tan, gave up unconditionally with his seven-man staff and many followers in rites held at the home base of the 3rd Infantry brigade, 2nd Infantry division, under Brig. Gen. Cesar Bueno. They yielded high-powered rifles.

They were wearing army fatigues tailored like the uniforms of regular members of the Armed Forces, complete with name patches but with MNLF lettering over the right shirt pockets.

Brig. Gen. Jose P. Magno, Jr., commander of the Central Mindanao command (CEMCOM), South Cotabato Gov. Sergio Morales, and Gen. Santos

city Mayor Antonio C. Acharon, along with Muslim datus and sultans were on hand to witness the surrender.

They sworn on the Koran before a Muslim priest that they would now work for the government and convince their remaining 1,000 followers to come down the hills.

Tan promised to convince his brother, a lawyer who also joined the MNLF, to follow him in going back to the government fold.

Tan said the split in the MNLF hierarchy, the unseating of Nur Misuari, and the weakening leadership of Haasim Salamat, compounded by lack of foreign support in military hardware, have caused widespread demoralization among the remaining MNLF commanders and their followers.

Tan said he and his men realized that in their 12 years of fighting the government, they have done more harm than good.

Tan said he joined the MNLF in 1970 when he led a second batch of 300 Muslim

youths who underwent training in Jampira, Sabah.

The first batch of 200 Muslim youths from Lanao del Sur, he said, underwent training in the same camp for 180 days. He trained with this first batch.

He returned as chairman of an organizing group that recruited more 20,000 MNLF men from North and South Cotabato.

In 1978, Tan said he was recalled to Jampira, stayed there for one year as trainer and

instructor, and returned with much responsibility that expanded his area of operation to Sulu, Basilan, Davao del Sur, North and South Cotabato.

In 1982, Tan said he was made overall chairman on civil affairs and roving political commissar.

General Magno described Tan's position as political commissar and mass organization man as "more deadly" than that of an ordinary MNLF combat leader.

CSO: 4200/63



## GOVERNMENT UNABLE TO CUT DEFICIT

Manila BULLETIN TODAY in English 27 Oct 82 p 24

[Text]

The national government's cash budget deficit of P11.9 billion during the first nine months of the year, as reported by the Central Bank, was running out of the government's target to keep the deficit at P10 billion for the whole year equivalent to 3.0 per cent of GNP.

It also nearly approximated the P12 billion deficit recorded in 1981, equivalent to 3.9 per cent of GNP.

Early this year, the government decreed a number of austerity measures intended to check the increase in expenditures so as to rein the budget deficit at the targetted level of P10 billion. With still three months to go in the year, updated government estimates place the deficit at between P14 billion to P15 billion.

At this level of budget deficit, it is now obvious the programmed target of reducing the deficit from 3.9 per

cent of GNP to 3.0 per cent of GNP in 1982 would not be met.

The CB said that the "counter-cyclical" measures adopted by the government to counteract the slump in business activity brought about the world recession were responsible for the undue rise in government expenditures during the nine-month period.

Among these measures was the continued implementation of government public work and infrastructure projects which formed part of the P18 billion spent for capital outlays during the period, up by P5.0 billion over that spent for the same period last year.

Spending for infrastructure rose from P5.7 billion to P6.12 billion. Allocations for equity in government corporations, which the World Bank earlier recommended to be trimmed down, rose by 45.9

per cent from P5.58 billion to P8.13 billion.

Current operating expenditures also rose by P2.0 billion from P21 billion to P23 billion.

As a result, total disbursements during the period amounted to P41 billion, representing a 20.2 per cent increase over last year's.

In contrast, total revenues increased by only 9.5 per cent to P29.1 billion.

As the budget deficit expanded than anticipated, the public sector resorted heavily to borrowings, mostly from domestic sources.

Public sector's borrowings for the first nine months of the year stood at P22 billion, P7.2 billion or 81.9 per cent more than the comparative period last year.

During the period, the CB lent a total of P5.9 billion to the national government to help it finance the deficit.

REBEL PRIEST SLAIN

Manila PHILIPPINES DAILY EXPRESS in English 13 Oct 82 pp 1, 6

[Article by Mel Parale]

[Text]

A REBEL priest with a P130,000 price on his head and tagged as a procurer of guns for dissidents operating in Northern Luzon was killed Monday noon in a clash with government troops.

Fr. Zacarias Agatep, parish priest of Cauayan and San Jose in Ilocos Sur, was slain one day after a recommendation of the PC Region I command raising to P130,000 the reward for his capture, dead or alive, was approved by Defense Minister Juan Ponce Enrile.

Also killed in the encounter that took place in barangay Baybayadeng, Salcedo, in Ilocos Sur was Nonoy Espiritu, alias Commander Doming, an NPA leader wanted for allegedly leading rebel liquidation squads in the ambush killings of soldiers and uncooperative local officials and civilians.

The body of Agatep, 45, was identified by Brig. Gen. Victorino T. Azada, regional PC commander.

FOUR REBELS acting as Agatep's bodyguards were captured. Their identities were not available.

PC soldiers, led by Lt. Daniel Costales, seized high-caliber guns, including a Soviet-made AK-47 rifle, an armalite and a carbine, after the encounter.

The PC said the armalite was

used by Agatep.

Agatep's body was later taken to his relatives in Vigan, Ilocos Sur.

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RECORDS showed that Agatep joined the underground movement two years ago and subsequently figured in armed clashes with government troops.

He was captured Sept. 4, 1980, but was released to the custody of his superiors on Dec. 23 of the same year based on an agreement entered into by a church-military liaison group.

But he took to the hills again weeks later.

He was placed at the top of the wanted list by military authorities after confirmed reports showed he had been active again in clashes with government troops.

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ANOTHER rebel priest in the wanted list is Fr. Conrado Balweg, a parish priest in Abra who also carries a P130,000 price on his head.

Three other rebel priests in the region have been identified and are being hunted by government troops. They are Frs. Nilo Ortega, Bruno Ortega and a certain Fr. Valerio.

The government has approved offers of rewards for anyone who can give information for their capture.

EDITORIAL DENIES PERSECUTION OF CHURCH

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 4

[Editorial]

[Text]

**WE HOPE** that Jaime Cardinal Sin was misquoted when he reportedly said that it appeared that the government has begun a systematic campaign to discredit the Catholic Church in the Philippines.

To raise that kind of issue is tantamount to promoting a fight between the State and the Church which is frowned upon by every Filipino. Officials of the Catholic Church should be the last ones to even hint about a fight between the State and the Church for the consequences may be most difficult to bear.

The Cardinal's comments may have been brought about by the death of rebel priest Fr. Zacarias Agatep, who was killed in an armed encounter with government forces in Ilocos Sur, and the arrest of Australian Fr. Brian Gore, parish priest of Kabankalan, Negros Occidental, for inciting to rebellion and illegal possession of explosives and ammunition.

It is understandable for Cardinal Sin to react the way he did considering that he is one of two Church princes in the country and he is duty-bound to take up the cudgels for the members of the clergy. But the good Cardinal should have investigated the circumstances first before pronouncing his verdict. Fr. Agatep was a confirmed rebel priest who took up arms against the government. Fr. Gore was duly charged in court for the crimes imputed against him. He filed a motion for bail which was denied by a proper court.

We agree that there are always two sides to a question and, in these cases, the two priests have their own opinions. That is why Fr. Gore is being given his day in court.

Fr. Agatep was long in the wanted list of rebel leaders and he knew it. That was why he had been in hiding until that fatal encounter with government troopers. Fr. Gore was arrested on the basis of evidence in the hands of government authorities. His warrant of arrest was even coursed through Bishop Antonio Fortich of Bacolod City.

If and when priests decide to violate certain laws and the security of a country, they should be prepared to answer the consequences. They should not be given special treatment just because they are priests. In this particular case, a priest who decides to take up arms against a duly constituted government becomes just like any of the rebels and should be treated as such.

When Cardinal Sin talked about the alleged systematic government campaign to discredit the Catholic Church, he should not have lost sight of the fact that a great majority of the Filipinos are Catholics. President and Mrs. Marcos and the leading civilian and military authorities are devout Catholics. They will not allow that to happen.

It is not difficult to understand why priests get deeply involved in social and political issues. As servants of God and preachers of the Gospel, they are duty-bound to expose social injustices and violations of human rights. They are performing their priestly functions. But to go beyond that, to take the law into their own hands to be able to accomplish the reforms they advocate — that is something else.

It is best to call the attention of the Catholic priests to the message of Pope John Paul II at the Baclaran church in February, 1980:

"May I remind you (the clergy) of my words at Puebla, Mexico... 'You are priests and religious, you are not social or political leaders or officials of a temporal power. Let us not be under the illusion that we are serving the gospel if we dilute our charisma through an exaggerated interest in the wide field of temporal problems.' It is important to see you as servants of Christ and stewards of the Mystery of God."

NISSAN TO PRODUCE CARS IN PHILIPPINES

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 9

[Text]

**TOKYO, Oct. 26 --** Japan's second largest automaker Nissan Motors is to start production and selling of its cars in the Philippines, company spokesman said today.

Nissan, makers of Datsun, and leading trade firm Marubeni Corp. have formed a P50 million (about \$5.45 million) joint venture in the Philippines with a local

interest to produce and sell passenger cars there, a Nissan spokesman said.

**CALLED** the Pili-pinas Nissan Inc., the new company is owned 15 percent each by Nissan and Marubeni and 70 percent by the First Manila Management Co.

The joint venture will produce 1,600-1,800 cc passenger cars, probably beginning next June.

The venture follows a retreat of West Germany's Volkswagen, which had entrusted producing and marketing of the two Volkswagen-designed cars to the now defunct DMG Industries Co. he added.

Volkswagen was reportedly pulling out of the Philippines because of the extremely sluggish sales of its cars. (AFP)

CSO: 4200/62



DAVAO MILITARY TERRORIZE POPULACE

Manila BULLETIN TODAY in English 15 Oct 82 p 40

[Police News Roundup column by Ramon Tulfo: "Davao's Night Stalkers"]

[Text]

They come in the middle of the night or wee hours of the morning, these men in fatigue uniforms who carry M-16 Armalites and wear masks. They go from house to house, knocking at doors—they have become known as "night knockers"—demanding money or goods. Some of them force their

sexual urges on unmarried female members of the household. If these men, who come in bunches of five to 30, cannot get anything from a house, they strafe the roof of that house. The recipients of these nocturnal visits are residents of Mabini town and its outlying barangays in Davao del Norte. The military has been blaming the New People's Army for such visits. The residents, however, insist that some men under Col. Meliton F. Tiburcio, the provincial commander, are the culprits. An investigation is in order.

During a recent dialogue with Mabini residents, Colonel Tiburcio, reportedly enraged by accusations against his soldiers, rose before the assembly and announced: "All right. If that's what you want, I'll pull out all my men and then see what happens to you without us!" This remark was reportedly met with applause from the crowd, and shouts of "Good" and "Yes, take them out" were heard. Shocked, the colonel allegedly became silent and returned to his seat.

CSO: 4200/55

## THOUSANDS PROTEST ARREST OF PRIEST

Colombo DAILY NEWS in English 21 Oct 82 p 8

[Text]

KABANKALAN,  
PHILIPPINES  
Wednesday.

Three thousand people, many of them bare-foot farmers, demonstrated today outside the police station in this Central Philippine town where an Australian Roman Catholic priest is held.

Father Brian Gore, a 38 year-old Columban Father originally from Perth, was arrested with six others on Monday on charges of possessing explosives and ammunition and incitement to rebellion.

As the crowd gathered in the small town square, he told Reuters in an interview in the office of the local police chief.

"If they can get away with this, all priests and religious people will not be safe."

The arrest of Father Gore followed the detention of a Filipino

priest running a "social action" centre on the island of Samar last week and the killing by military forces in the Northern Philippines of a priest alleged to have joined a Communist guerrilla organisation.

Some Catholic clergymen say the authorities are out to silence the voice of the church.

Father Gore, who has spent more than 10 years in his parish at Kabankalan on Negros Island, said of the demonstrators.

Every time there is a human rights violation in our area, we always make a protest and we confront the military.

Earlier in the day he was seen praying on a sleeping mat in the little cell he shares with the six parishioners arrested with him.

Later, wearing a tee-shirt and looking relaxed, he said: "They've been after me for a long time."

Asked why the military were after him, he replied: "there is a lot of jealousy because we have credibility and they don't."

Father Gore denied the charges against him which stem from a raid on his residence in Kabankalan on the night of September 24. He was detained then, but released after five hours.

"By staying in jail, we can expose this anomaly," he said, alleging that local officials were circulating a petition aimed at having him deported as an undesirable alien.

Some 6,000 people held a prayer rally in the centre of Kabankalan yesterday, but today's demonstrators said they planned a hunger strike against the authorities.

"Hunger strike for justice" said one of their banners. (Reuters)

CSO: 4200/55

COUNTRY TO REVIEW AGRICULTURAL POLICY

HK251252 Manila BULLETIN TODAY in English 25 Oct 82 p 28

[Text] The government is set to review its agricultural policy particularly those dealing with projects funded by the World Bank, it was learned yesterday. The review, to be done on monthly basis by an inter-agency committee, is one of the government's responses to criticism made by the World Bank that implementation of agricultural projects in the country had been "slow."

In an informal meeting held at the National Food and Agricultural Council (NFAC), Agriculture Minister Arturo R. Tanco, Jr is reportedly organizing the inter-agency committee which will look into the speedy implementation of agricultural projects funded by the World Bank.

The Philippines is a recipient of a \$850 million loan from the World Bank for 22 agriculture-related projects. Members of the World Bank mission who arrived here last Monday claimed that the Philippines cannot avail of the loan commitment on time since the country is "slow" in the implementation of the projects.

Agriculture Ministry sources said Prime Minister Cesar Virata has directed the NFAC to plan and coordinate a systematic approach in implementing the country's agricultural projects funded by international financial institutions.

At present, several government agencies can directly borrow from World Bank agricultural developmental loans. With the directive, it was learned, NFAC will decide which projects would be given government priorities for international fundings.

Meanwhile, Agrarian Reform Minister Conrado Estrella told a briefing with newsmen, there is no way, at the moment, to put the country's sugar and coconut landholdings under the government's agrarian reform program because of the prevailing economic difficulties.

Estrella stressed that the agrarian reform program will only cover the landholdings defined under Presidential Decree No 27 as amended which are basically those areas planted to rice and corn.

He said that tenancy in sugar and coconut areas is just "minimal" that the possibility of putting them under agrarian reform is farfetched.

Citing reports of the Philippine coconut authority, Estrella said 95 percent of the landholdings devoted to coconut belongs to 5 hectares and below. This means that the bulk of coconut lands are owned by small farmers and tenancy does not exist.

In sugarlands, he said, there were only few tenants and tenancy exists only in Pampanga and Batangas numbering only about 10,000 people. The rest of the country's sugar workers are migratory workers or the so-called "Sacadas."

CSO: 4200/53

OVER HALF GRADE SCHOOLERS OVERAGE

Manila PHILIPPINES DAILY EXPRESS in English 27 Oct 82 p 22

[Text]

OVER 50 percent of the country's elementary school pupils are too old for their respective grade levels, says the education ministry. This indicates that the children start school over the age level prescribed by the ministry.

A probable cause of their late enrolment could be poverty which prevents families from sending their children to school upon reaching the prescribed age level, says the ministry.

Under the ministry's prescription, a first grader should be seven years old; second grader, eight; third grader, nine; fourth grader, 10; fifth grader, 11, and sixth grader, 12.

...

IN ITS statistical bulletin, the ministry reports that of 7,931,164 pupils enrolled in public elementary schools last year, 3,747,356 (or over 50 percent) were found to be overaged for their respective grade levels.

The overagers divided into 2,013,797 males and 1,733,559 females.

Those in Grade One comprised the bulk. The boys numbered 392,090 and the girls 324,014 for a total of 1,403,652.

Ages of the overaged first graders ranged from eight to 19 and above. Of the total 1.4 million overagers, 404,277 were eight years old; 145,900 were nine; 70,437 were 10; 40,772 were 14; 3,811 were 15; 1,934 were 16; 860 were 17; 91 were 18, and 87 were 19 and above.

The sixth grade level, however, had the least number of overaged pupils. Their ages ranged from 13 to 19 and they totalled 474,703, with 247,719 boys and 226,984 girls.

The ministry says that overaged pupils at the Grade Two level counted at 687,548. Grade Three, 675,478; Grade Four, 633,416; and Grade Five, 560,107 — A.P. Reimando

CSO: 4200/62



ACTION ON SABAH REFUGLES URGED

Manila BULLETIN TODAY in English 21 Oct 92 p 28

[Article by Nelly Sindayen]

[Text]

The brand of compassion and humanitarian treatment the Philippine government is giving Vietnamese refugees in the country should also be given to the 200,000 Filipino Muslim refugees in Sabah by facilitating their safe and fast return to their respective places of origin.

This view was held by Muslim historian-academic Dr. Alunan Glang in light of a US government report which mentioned that the number of Filipino refugees in Sabah now total about 200,000.

Taking more serious steps to ensure the Muslim refugees' safe return to Mindanao is the least the Philippine government can do for these people, said Dr. Glang.

Dr. Glang, a TOYM awardee and author of a book on Muslim his-

tory, said that past attempts by the government to bring the refugees back to their homeland should be revived.

Although they are happy and well taken care of by the Sabah government, the refugees still want to be reunited with friends and relatives in Mindanao, Glang pointed out.

He added that it is not fair to the Sabah and Malaysian government to be burdened with the presence of these refugees, some of whom have reportedly resorted to petty theft and robbery.

Since the Mindanao war broke out in 1972, Muslims from the south, especially those from Tawi-Tawi, Sulu, Basilan, Zamboanga and nearby places have sought refuge in Sabah.

AGRICULTURE MINISTER AIMS FOR CORN TARGET

Manila BULLETIN TODAY in English 21 Oct 82 p 12

[Text]

Minister of Agriculture Arturo Tanco Jr. said the Philippines can now look forward to the surplus production of corn pointing out that San Miguel Corporation alone can produce an extra 360,000 tons of the grain, or 20 000 tons more than last year's imports.

San Miguel is a major producer of hybrid corn seeds. It's P20 million hybrid seed production center in Polomolok, South Cotabato, can process up to 20 tons of seeds per day.

"That works out to 120,000 hectares that can be supplied from this plant alone," Tanco said. "If we plant 120,000 hectares to hybrid seeds, we will already be an exporter," he added.

San Miguel's "SMC hi-yield seeds" yield

over four tons per hectare. With four tons per hectare as the average yield, the 120,000 hectares should yield 480,000 tons of corn. The same area will yield less than 120,000 tons if traditional seeds are used, based on the 1981 national average yield of 0.9 ton per hectare.

SMC hi-yield hybrid corn seeds have been accredited by the government for use in the ongoing Maasagana program. The seeds are specially adapted to Philippine conditions. They possess relatively unmatched resistance to corn borer and downy mildew. They also boast of germination rates of up to 98 per cent, which is markedly superior to the 40 to 60 per cent usually obtained from other seeds.

CSO: 4200/63

## FUEL PRICES WON'T CHANGE

Manila BULLETIN TODAY in English 21 Oct 82 p 12

[Text]

No dramatic changes are seen in prices of petroleum products with the forthcoming formulation of a new pricing policy by the Cabinet executive committee.

Energy Minister Geronimo Z. Velasco assured this as he explained that a number of factors are still being considered by the Cabinet in coming up with a new policy restructuring the tax components of each petroleum product.

Velasco said the new pricing policy seeks to define what a true energy cost is, taking into account its effects on various commodities.

He said pricing on every oil product will be structured in such a manner that the energy cost will be balanced against the total production cost of a certain commodity.

At the same time, Velasco said the pricing policy will be based on the "sensitivity" of the increases to the affected products or commodities.

Together with the Cabinet study, Velasco said the consumption pattern is being closely looked into as one of the basis in determining which oil product should bear the burden of having heavier taxes.

Velasco explained that the pricing of petroleum products is actually a tax issue since each of them comes from the same barrel of oil being produced by the refineries.

The varying and unequal tax imposts on each product, according to him, determine the prices.

Based on the present pricing policy, he said taxes are heavily slapped on those products

whose consumers are bracketed in the upper income level.

Thus, diesel, liquefied petroleum gas, fuel oil and kerosene carry light taxes since these products are consumed by the mass population and industries.

On the other hand, aviation fuel, regular and petroleum gasline products are at the other end of the present pricing policy since they are consumed by the high income group.

However, the present pricing policy created an imbalance in the supply and demand of petroleum products, particularly on diesel and gasoline.

The imbalance, brought about by a shift in consumption, resulted in the country importing diesel while at the same time exporting gasoline.

COLUMNIST ASKS WHAT IS A SUBVERSIVE

Manila BULLETIN TODAY in English 21 Oct 82 pp 6, 9

[Column by Melinda Q. de Jesus: "What is Subversive?"]

[Text]

**I**T'S a bit alarming how the word has taken over our consciousness.

The way it has figured in the more sensational news items, one might conclude that 'subversive' has just about pushed out 'sex' as the most highly charged term these days.

According to these reports, labor leaders do it. Community workers do it. Priests and nuns have been charged with it. Young men and women caught up by the fever try it. And alas, even government officials have been suspected of it.

Not since the dark days of our colonial history and the trials of the Japanese occupation have people taken to the underground in this manner, and we gather from these reports that no place is safe. Parish convents and social centers, research offices and youth clubs are used for secret meetings where people go by aliases and carry on with all the trappings of clandestine activity, the sort that we have come to know in espionage fiction.

With the whole business played up to the hilt, with headlines screaming subversion, people are beginning to wonder what is going on. And the question that begs clarification is how a country so recently paraded as a working, thriving democracy, one that the US can be proud to claim as a friend and ally,

can be plagued by so much subversion.

Perhaps there is more to this issue than meets the eye.

What are all these subversive materials, for example, that have a way of cropping up in all sorts of places?

One person who was detained claimed his Playboy collection was seized. Are pulp magazines and the like subversive? Another report had labor union materials taken from someone's house, some of which were published by the Labor Ministry itself? Are official publications on workers' rights not to be trusted? Are the books of Chairman Mao subversive? But surely after the First Lady's many visits to China, there are too many of these around to be still considered suspicious. Are the books on revolution and terrorism forbidden as material for intellectual perusal? — or films on political assassination and government takeovers? Are writings critical of government and specifically of the country's leaders frowned upon?

What about activities? Are mass demonstrations subversive? Are church meetings where people talk and discuss their problems a suspicious activity? Is the concept of the Basic Christian Community held suspect by authorities? Do experiments in community organizations especially in rural areas constitute a danger to the state? Does resistance to government policy or opposition to established political leadership

invite interrogation?

These questions take us into the wild and woolly field of political, ethical, even philosophical judgments. Unfortunately decisions on these questions appear to be entrusted mainly to the military. By their training, the military tend to view such matters only from the narrow considerations of national security, and perhaps, the security of government officials.

But the fundamental concerns of the citizenry, how they live and how they cope, and how they build up their ranks the formulation of a political will and its legitimate expression which is a necessary process in a democracy — these cannot be simplified into an issue of national security.

To do so is to run the risk of undermining the initiatives for grassroots thought and action. Another effect is to sow fear in the hearts and minds of the people, and from that fear, division and disunity in the nation.

CSO: 4200/63



TERROR GRIPS TOWN IN SORSOGON

Manila BULLETIN TODAY in English 13 Oct 82 p 32

[Text]

A reign of terror is gripping the small town of Pilar in Sorsogon following the ambush-killing of ten Constabulary soldiers and eight other civilians aboard a minibus in that town late last month.

An informant, Cesar Salazar, news editor of MBS channel 4, and a native of Pilar, said following the incident armed clashes between PC-police and terrorist groups almost happened daily in far-flung sitios and barangays near the town proper forcing military, education and local authorities to suspend afternoon classes in the elementary and high school levels. Classes, he said, are

observed from 9 a.m. to 12 noon daily.

He told BT that early last week, Manuel Lobrigo, municipal secretary of Pilar Mayor Jose Dehitta, was beheaded by armed men believed to be members of the New People's Army (NPA). The victim's head was delivered to his family but his body was nowhere to be found, he said.

He revealed that also last week, a house of a barangay captain was blown by grenades thrown by armed men.

However, he said, the barangay official and his family were out when the incident happened. (Pete Eaber)

CSO: 4200/63

## BRIEFS

KKK LOAN ANOMALIES RAPPED--It's time First Lady and KKK [Kilusang Kabuhayan at Kaunlaran] Czar Imelda Romualdez Marcos wield an iron hand on provincial officials charged with the implementation of the government's livelihood program, who are enmeshed in various anomalies. There has been quite a number of complaints in cities and municipalities outside metro Manila against local officials fleeing KKK loan applicants, exacting something like P100 fee per thousands pesos released by the government. Deals of this sort are stipulated between the erring local officials and the applicants before the KKK applications for loans are processed. Politics and discriminations cannot be avoided in the processing of KKK loans in the provinces. Clearly, because approval or recommendation for approval of KKK loans are given to the authority of the local chief executives who are, most often than not, dictated by their partisan feelings, to the effect that applicants who are not quite sympathetic to their administration usually get negative results in their applications even if they are much qualified to acquire KKK loans. [Text] [HK270313 Davao City THE MINDANAO DAILY MIRROR in English 17 Oct 82 p 2]

OPEC TO PROVIDE FINANCIAL AID--The Organization of Petroleum Exporting Countries is expected to pour more petrodollars to fill in part of the Philippines' deficit in international payments. This was disclosed by Dr Abdul Amir al-Ambari, official spokesman of the Organization of Arab Exporting Countries. Al-Ambari said OPEC will also finance more development projects in the country in the coming years. He pointed out that the Arab oil-producing countries are channelling less of their investments into Western institutions and more to developing countries hit hard by oil price increases. [Text] [HK220012 Manila Far East Broadcasting Company in English 2330 GMT 21 Oct 82]

UK AIR, RADIO AGREEMENTS--The Philippines and Britain on 22 October signed two agreements which will bolster relations between the two countries. The first agreement amended the current RP-UK air agreement. Under the amended agreement, British Airways may now stop over in Hong Kong on its way to or from Manila. However, British Airways is not allowed to bring in passengers from Hong Kong, nor can the airline load passengers bound from Manila to Hong Kong on the way back to London. The second agreement formalizes the reciprocal radio licensing accord between the two countries. The agreement enables properly licensed Filipino and British radio amateurs to operate their radio equipment in the Philippines, Britain, the Channel Islands and the Isle of Man. [OW270419 Quezon City RPN Television Network in English 1100 GMT 22 Oct 82]

LEYTE TO PUSH INDUSTRIAL DEVELOPMENT--A big push for industrial development is underway in Leyte, which will boost the country's exports. This was announced by President Marcos yesterday on his return to Manila from a visit to Leyte Province. He said the \$1 billion industrial estate, including the \$400 million copper-smelting and refinery plant, will be the biggest industrial complex in the country by 1984. The president visited the industrial development projects in Leyte together with U.S. Ambassador Michael Armacost and other top officials. The president said the Leyte copper-smelter and refinery plant will be the model for all other major industrial projects. A fertilizer plant is also being established in Leyte. Most of the projects are financed by foreign funds. The president said only \$25 million will come from the national budgetary resources. He said industrial development will go hand-in-hand with agricultural development. [Text] [HK250009 Manila Far East Broadcasting Company in English 2330 GMT 24 Oct 82]

MOVE TO LIFE PRICE CONTROLS RAPPED--Organized labor has assailed the move to lift price controls on essential commodities, and warned that the move will aggravate workers' grievances against their employers and the government. The warning was issued by Trade Union Congress President Democrito Mendoza, following reports that the Cabinet Executive Committee will soon review price controls and may lift them. Mendoza said there is no justice in the move, inasmuch as the government and employers have opposed labor's clamor for salary increases. The review of price controls could result in the total lifting of price ceilings on all the nine essential commodities, maintenance of price controls on certain commodities, or keeping the status quo. Trade Minister Roberto Ongpin claimed the price controls could be lifted because the economy has normalized. [Text] [HK260026 Manila Far East Broadcasting Company in English 2330 GMT 25 Oct 82]

SIX NPA SUSPECTS KILLED--Government troops repelled an NPA [New People's Army] rebel attack in Abra Province, killing six dissidents and wounding seven others. A report received by AFP Chief of Staff Gen Fabian Ver indicated no casualty on the government side, except for the wounding of a civilian in a crossfire. The NPA band attacked PC [Philippine Constabulary] troopers camped at (Sitio Sinodal) in (Dayapa) while the soldiers were having breakfast. After a 30-minute firefight, the rebels withdrew upon seeing six of their comrades dead and seven others wounded. PC troopers recovered eight firearms, including an armalite rifle, a grand and a carbine. [Text] [OW251243 Quezon City RPN Television Network in English 1100 GMT 25 Oct 82]

CSO: 4200/53

## BRIEFS

**NEW JAPANESE AMBASSADOR**--The new Japanese ambassador to Singapore, Mr Hiromu Fukada, has presented his credentials to President Devan Nair at the Istana [Palace]. Mr Fukada succeeds Mr Takejiro Nakajima. [Text] [BK260409 Singapore Domestic Service in English 1100 GMT 23 Oct 82]

**LEE KUAN YEW LEAVES AUSTRALIA**--There is a possibility that the government may invest some of its foreign reserve in Queensland. Speaking to reporters at the end of a 4-day visit to the northeastern Australian state, Mr Lee Kuan Yew said that although there were no specific investment plans at the moment, there were strong indications that Queensland was a good place to put money in. It is one of the fastest growing Australian states with a good government, which meant stability and progress. The unions there were also more realistic and had higher productivity than in the other Australian states. The prime minister, however, said whatever investment Singapore made, it would be gradual and cautious so as not to upset the market. Mr Lee Kuan Yew has now arrived in Port Moresby where he was given a ceremonial welcome, including a 19-gun salute. The prime minister was met by Papua New Guinea Prime Minister Michael Somare. This afternoon, Mr and Mrs Lee paid a courtesy call on Governor General Tore Lokoloko. Later, the prime minister had talks with Mr Somare. Mr Lee also met members of the Singapore trade delegation which is now in Papua New Guinea to explore trade possibilities in textile, shipping, engineering, timber and food. [Text] [BK221527 Singapore Domestic Service in English 1300 GMT 22 Oct 82]

**TAMIL NEWSPAPER CLOSED**--A militant Tamil newspaper the "Sutantiran" was sealed early this morning under emergency regulations. Reports reaching Colombo said that its current edition contained "highly inflammatory" material which threatened the peace. Some of the copies released for sale too were confiscated. The "Sutanthiran", which is opposed to the TULF, is backed by a militant group which includes S C. Chandrachud and Kovai Mahesan. Police are today expected to question Mr. Mahesan. Early this morning they were attempting to trace his whereabouts. The "Sutantiran"--the original Federal Party newspaper now managed by Mr. Chandrachud, Legal Secretary of the TULF, has basically been critical of the TULF policies. The paper, edited by Kovai Mahesan, had been echoing the militant policies of the Tamil Eelam Liberation Front. Mr. Mahesan was questioned by the Army and CID recently in connection with the mining of the Karainagar causeway and the distribution of pamphlets calling for the boycott of the Presidential election. [Colombo SUN in English 21 Oct 82 p 1]

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